of divorce or award or order of the court. This subsection does not supersede a judgment of divorce or award or order of the court in effect on July 18, 1991. This subsection does not require the retirement system to distribute or pay retirement assets on behalf of a retirant in an amount that exceeds the actuarially determined amount that would otherwise become payable if a judgment of divorce had not been rendered.

(32) If a county board of commissioners of a county that has a population of more than 400,000 but less than 800,000 has an employee credit union organized under the credit union act or former 1925 PA 285, the county board of commissioners may include as a member of a plan under this section a past or present employee of the credit union, if that past or present employee has 5 or more years of service credit with that credit union on or before June 30, 1990.

(33) The county board of commissioners shall establish a written policy to implement the provisions of this section in order to provide uniform application of this section to all members of the plan.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 496 of the 92nd Legislature is enacted into law.

This act is ordered to take immediate effect.
Approved December 1, 2003.
Filed with Secretary of State December 2, 2003.

Compiler's note: Senate Bill No. 496, referred to in enacting section 1, was filed with the Secretary of State December 2, 2003, and became P.A. 2003, No. 215, Eff. June 1, 2004.

[No. 220]

(HB 4698)

AN ACT to amend 1978 PA 322, entitled "An act to authorize financial institutions to make electronic funds transfer terminals available to their customers; to protect the privacy and security of customers; to prohibit unfair discrimination among financial institutions and monopolistic practices in the use and availability of electronic funds transfer terminals; to prescribe remedies; and to prescribe penalties," by amending sections 2 and 3 (MCL 488.2 and 488.3).

The People of the State of Michigan enact:

488.2 Definitions; A to C.

Sec. 2. (1) "Available" means and includes all deposit account functions which are performed from time to time by the particular electronic funds transfer terminal.

(2) "Bank" means that term as defined in section 1201 of the banking code of 1999, 1999 PA 276, MCL 487.11201, or a national banking association established under the laws of the United States having its main office in this state.

(3) "Branch", as it applies to:

(a) A state credit union, means a branch as defined in section 102 of the credit union act and a service center as defined in section 103 of the credit union act.

(b) A federal credit union, means a branch place of business as defined in section 101 of the federal credit union act, chapter 750, 48 Stat. 1216, 12 U.S.C. 1752, and applicable regulations.

(c) A state savings and loan association, means a branch office as defined in section 112 of the savings and loan act of 1980, 1980 PA 307, MCL 491.112, and also includes an agency as defined in section 106 of the savings and loan act of 1980, 1980 PA 307, MCL 491.106, that is established before the effective date of this act.

(d) A federal savings and loan association, means a branch office as defined by the regulations of the federal home loan bank board pursuant to the federal home loan bank act, chapter 522, 47 Stat. 725, but does not include a mobile facility, satellite office, or an agency established after the effective date of this act.

(e) A state bank, means a branch as defined in section 1201 of the banking code of 1999, 1999 PA 276, MCL 487.11201.

(f) A national banking association, means a branch place of business as defined in 12 U.S.C. 36.

(4) "Consumer finance company" means a licensee under the regulatory loan act, 1939 PA 21, MCL 493.1 to 493.24.

488.3 Definitions; C to E.

Sec. 3. (1) "Credit union" means a domestic credit union as that term is defined in section 102 of the credit union act, or a federal credit union established under the laws of the United States having its main office in this state.

(2) "Customer" means a person, but does not include a financial institution or a financial institution holding company.

(3) "Deposit account" includes share, deposit, member, and savings accounts of financial institutions.

(4) "Electronic fund transfer" is any transaction that depends upon an electronic funds transfer terminal to complete.

(5) "Electronic funds transfer terminal" means an information processing device used for the purpose of executing deposit account transactions between financial institutions and their customers by either the direct transmission of electronic impulses or the recording of electronic impulses for delayed processing. A device used for other purposes may be an electronic funds transfer terminal, but a terminal is not an electronic funds transfer terminal while being used for those other purposes. Electronic funds transfer terminal does not include a device at the time it is used to perform the functions of check guaranty, check authorization, or credit card programs, or a combination of any of those programs, and does not include a device located on the premises of a customer of a financial institution that is used to execute transactions only between that customer and the financial institution.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 496 of the 92nd Legislature is enacted into law.

This act is ordered to take immediate effect.
Approved December 1, 2003.
Filed with Secretary of State December 2, 2003.

Compiler's note: Senate Bill No. 496, referred to in enacting section 1, was filed with the Secretary of State December 2, 2003, and became P.A. 2003, No. 215, Eff. June 1, 2004.

[No. 221]

(HB 4699)

AN ACT to amend 1950 (Ex Sess) PA 27, entitled "An act defining and regulating certain installment sales of motor vehicles; prescribing the conditions under which such sales may be made and regulating the financing thereof; regulating and licensing persons engaged in the business of making or financing such sales; prescribing the form, contents and effect of instruments used in connection with such sales and the financing thereof; prescribing certain rights and obligations of buyers, sellers, persons financing such sales and others; limiting charges in connection with such instruments and fixing maximum interest rates for delinquencies, extensions and loans; regulating insurance in connection with such sales; regulating repossessions, redemptions, resales and deficiency judgments and the rights of parties with respect thereto; authorizing extensions, loans and forbearances related to such sales; authorizing investigations and examinations of persons engaged in the business of making or financing such sales; transferring certain powers and duties with respect to finance companies to the commissioner of the financial institutions bureau; and prescribing penalties," by amending section 36 (MCL 492.136).

The People of the State of Michigan enact:

492.136 Businesses not affected or impaired by act.

Sec. 36. This act shall not affect or impair a business conducted lawfully under the regulatory loan act, 1939 PA 21, MCL 493.1 to 493.24, the banking code of 1999, 1999 PA 276, MCL 487.11101 to 487.15105, the savings and loan act of 1980, 1980 PA 307, MCL 491.102 to 491.1202, or the credit union act.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 496 of the 92nd Legislature is enacted into law.

This act is ordered to take immediate effect.
Approved December 1, 2003.
Filed with Secretary of State December 2, 2003.

Compiler's note: Senate Bill No. 496, referred to in enacting section 1, was filed with the Secretary of State December 2, 2003, and became P.A. 2003, No. 215, Eff. June 1, 2004.

[No. 222]

(SB 516)

AN ACT to amend 1939 PA 288, entitled "An act to revise and consolidate the statutes relating to certain aspects of the family division of circuit court, to the jurisdiction, powers, and duties of the family division of circuit court and its judges and other officers, to the change of name of adults and children, and to the adoption of adults and children; to prescribe certain jurisdiction, powers, and duties of the family division of circuit court and its judges and other officers; to prescribe the manner and time within which certain actions and proceedings may be brought in the family division of the circuit court; to prescribe pleading, evidence, practice, and procedure in certain actions and proceedings in the family division of circuit court; to provide for appeals from certain actions in the family

division of circuit court; to prescribe the powers and duties of certain state departments, agencies, and officers; to provide for certain immunity from liability; and to provide remedies and penalties," by amending section 22a of chapter X (MCL 710.22a), as added by 1994 PA 430.

The People of the State of Michigan enact:

CHAPTER X

710.22a Adoption placement or issuance of order prohibited; convictions.

Sec. 22a. A child shall not be placed with a prospective adoptive parent and an adoption order shall not be issued if a person authorized to place the child or the court authorized to issue the order has reliable information that the prospective adoptive parent has been convicted under any of the following:

(a) Section 145a or 145c of the Michigan penal code, 1931 PA 328, MCL 750.145a and 750.145c.

(b) Sections 520b to 520g of the Michigan penal code, 1931 PA 328, MCL 750.520b to 750.520g.

(c) A law of another state substantially similar to 1 of the sections included in subdivision (a) or (b).

This act is ordered to take immediate effect.
Approved December 1, 2003.
Filed with Secretary of State December 2, 2003.

[No. 223]

(HB 4011)

AN ACT to repeal 1927 LA 9, entitled "An act to prohibit hunting on Sunday in the county of Washtenaw and to prescribe penalties for the violation thereof.".

The People of the State of Michigan enact:

Repeal of 1927 LA 9.

Enacting section 1. 1927 LA 9 is repealed.

Conditional effective date.

Enacting section 2. This act does not take effect unless House Bill No. 4599 of the 92nd Legislature is enacted into law.

This act is ordered to take immediate effect.
Approved December 1, 2003.
Filed with Secretary of State December 2, 2003.

Compiler's note: House Bill No. 4599, referred to in enacting section 2, was filed with the Secretary of State December 2, 2003, and became P.A. 2003, No. 224, Imd. Eff. Dec. 2, 2003.

[No. 224]

(HB 4599)

AN ACT to repeal local acts restricting hunting on Sundays in the counties of Tuscola, Lenawee, Hillsdale, and St. Clair.

The People of the State of Michigan enact:

Repeal of certain local acts.

Enacting section 1. All of the following local acts, affecting the counties indicated, are repealed:

(a) 1927 LA 2 - Tuscola.

(b) 1931 LA 1 - Lenawee.

(c) 1935 LA 1 - Hillsdale.

(d) 1939 LA 4 - St. Clair.

This act is ordered to take immediate effect.
Approved December 1, 2003.
Filed with Secretary of State December 2, 2003.

[No. 225]

(SB 352)

AN ACT to designate March 31 of each year as Cesar E. Chavez day in the state of Michigan; to designate July 14 of each year as President Gerald R. Ford day in the state of Michigan; and to designate July 30 of each year as Henry Ford day in the state of Michigan.

The People of the State of Michigan enact:

435.301 "Cesar E. Chavez Day."

Sec. 1. (1) The legislature recognizes the fundamental contribution that Cesar E. Chavez made to this nation by organizing farm workers to campaign for safe and fair working conditions, reasonable wages, decent housing, and the outlawing of child labor. Cesar E. Chavez began working in the fields of Arizona and California at the age of 10. Profoundly influenced by these humble beginnings, Chavez embraced the nonviolent principles of Mohandas Gandhi and Dr. Martin Luther King, Jr., to crusade against racial and economic discrimination, coordinate voter registration drives, and found the united farm workers of America. In 1994, Chavez was posthumously awarded the presidential Medal of Freedom, the highest honor given to civilians by the United States government. In memory of this great American, the legislature declares that March 31 of each year shall be known as "Cesar E. Chavez Day".

(2) The legislature encourages each individual in the great state of Michigan to pause on Cesar E. Chavez day and reflect upon the courage and sacrifice of a man Robert Kennedy once referred to as "one of the heroic figures of our time".

435.302 "President Gerald R. Ford Day."

Sec. 2. (1) The legislature recognizes the exceptional contributions to American life, history, and leadership made by Gerald R. Ford, the thirty-eighth president of the United States and the only United States president from Michigan, who for decades has served the United States and the state of Michigan. For much of his life, President Ford resided in Grand Rapids. He attended South high school in Grand Rapids and the university of Michigan in Ann Arbor. He served with distinction as a member of the United States house of representatives, vice president of the United States, and president of the United States. Among numerous other awards and honors, President Ford has received the Medal of Freedom, the highest civilian award in the nation, and the Congressional Gold Medal for his "dedicated public service and outstanding humanitarian contributions". In commemoration of the significant role Gerald R. Ford has played in the history of the state of Michigan and our nation, the legislature declares that July 14 of each year shall be known as "President Gerald R. Ford Day".

(2) The legislature encourages each individual in the great state of Michigan to pause on President Gerald R. Ford day and reflect upon the significance of President Ford's leadership and important contributions to the history of the state of Michigan and to the history of this great nation.

435.303 "Henry Ford Day."

Sec. 3. (1) The legislature recognizes the outstanding contributions to American life, history, and culture made by Henry Ford, founder of Ford motor company and a man of great vision. During most of his life, Henry Ford resided in Dearborn. He pioneered industrial mass production methods and made an automobile that was affordable for his workers. The Ford motor company debuted the Model T in 1908; by 1918, fully half of all cars sold in America were Model Ts. In 1910, Ford opened a large automobile factory in Highland Park; later, he introduced the moving assembly line. This innovation reduced costs, increased production, and revolutionized industrial manufacturing in the United States and abroad. In honor of the significant role Henry Ford has played in the history of the state of Michigan and the United States, the legislature declares that July 30 of each year shall be known as "Henry Ford Day".

(2) The legislature encourages each individual in the great state of Michigan to pause on Henry Ford day and reflect upon the significance of Henry Ford's contributions to the history of the state of Michigan and to the history of this great nation.

This act is ordered to take immediate effect.
Approved December 3, 2003.
Filed with Secretary of State December 3, 2003.

[No. 226]

(HB 4284)

AN ACT to provide for joint land use planning and the joint exercise of certain zoning powers and duties by local units of government; and to provide for the establishment, powers, and duties of joint planning commissions.

The People of the State of Michigan enact:

125.131 Short title.

Sec. 1. This act shall be known and may be cited as the "joint municipal planning act".

125.133 Definitions.

Sec. 3. As used in this act:

(a) "Municipality" means a city, village, or township.

(b) "Participating" means, with respect to a municipality, that the municipality is a member of a joint planning commission.

(c) "Planning act" means either of the following acts:

(*i*) 1931 PA 285, MCL 125.31 to 125.45, if a city or village is a participating municipality or a township whose planning commission was created under that act is a participating municipality.

(*ii*) 1959 PA 168, MCL 125.321 to 125.333, if a township whose planning commission was created under that act is a participating municipality.

(d) "Registered elector of the municipality" means a registered elector residing in the municipality or, if the municipality is a township, a registered elector residing in the portion of the township outside the limits of cities and villages.

(e) "Zoning act" means either of the following:

(*i*) The city and village zoning act, 1921 PA 207, MCL 125.581 to 125.600, if a city or village is a participating municipality.

(*ii*) The township zoning act, 1943 PA 184, MCL 125.271 to 125.310, if a township is a participating municipality.

125.135 Joint planning commission; approval of agreement; specifications.

Sec. 5. Subject to section 9, the legislative bodies of 2 or more municipalities may each adopt an ordinance approving an agreement establishing a joint planning commission. The agreement shall specify at least all of the following:

(a) The composition of the joint planning commission, including any alternate members.

(b) The qualifications, the selection by election or appointment, and the terms of office of members of the joint planning commission.

(c) Conditions and procedures for removal from office of members of the joint planning commission and for filling vacancies in the joint planning commission.

(d) How the operating budget of the joint planning commission will be shared by the participating municipalities.

(e) The jurisdictional area of the joint planning commission, which may consist of all or part of the combined territory of the participating municipalities.

(f) Procedures by which a municipality may join or withdraw from the joint planning commission.

(g) The planning act whose procedure will be followed by the joint planning commission in adopting a plan or exercising any other power or performing any other duty of a planning commission. The planning act shall be a planning act that would otherwise be applicable to at least 1 participating municipality.

(h) The zoning act whose procedure will be followed by the joint planning commission in exercising the powers and performing the duties of a zoning board or zoning commission. The zoning act shall be a zoning act that would otherwise be applicable to at least 1 participating municipality.

(i) Any additional provision concerning the powers or duties of a zoning board or zoning commission that the zoning act specified pursuant to subdivision (h) authorizes to be set forth in a zoning ordinance and that is agreed to by the participating municipalities.

125.137 Joint planning commission; powers and duties.

Sec. 7. (1) All the powers and duties of a planning commission under each planning act are, with respect to the jurisdictional area of the joint planning commission, transferred to the joint planning commission. In exercising such powers or performing such duties, the joint planning commission shall follow the procedure provided under the planning act specified pursuant to section 5(g).

(2) All the powers and duties of a zoning board or zoning commission under each zoning act are, with respect to the jurisdictional area of the joint planning commission, transferred to the joint planning commission. In exercising such powers or performing such duties, the joint planning commission shall follow the procedure provided under the zoning act specified pursuant to section 5(h).

(3) If only part of the territory of a participating municipality is in the jurisdictional area of a joint planning commission, the participating municipality, with the joint planning commission acting as the zoning board or zoning commission, may adopt a zoning ordinance that affects only that portion of its territory in the jurisdictional area of the joint planning commission.

125.139 Adoption of ordinance by municipality; notice of intent to file petition; petition subject to certain laws; referendum.

Sec. 9. (1) Subject to subsection (3), if a municipality adopts an ordinance under section 5, within 7 days after the municipality publishes the ordinance or a synopsis of the ordinance, whichever is required by law, a registered elector of the municipality may file with the clerk of the municipality a notice of intent to file a petition under this section. If a notice of intent is filed, then within 30 days following the publication of the ordinance or synopsis, a petition signed by a number of registered electors of the municipality equal to not less than 15% of the total votes cast for all candidates for governor, at the last preceding general election at which a governor was elected, in the municipality may be filed with the clerk of the municipality requesting the submission of the ordinance to the registered electors of the municipality for their approval. Upon the filing of a notice of intent, the ordinance adopted by the legislative body of the municipality shall not take effect until 1 of the following occurs:

(a) The expiration of 30 days after publication of the ordinance or synopsis, if a petition is not filed within that time.

(b) If a petition is filed within 30 days after publication of the ordinance, the clerk of the municipality determines that the petition is inadequate.

(c) If a petition is filed within 30 days after publication of the ordinance, the clerk of the municipality determines that the petition is adequate and the ordinance is approved by a majority of the registered electors of the municipality voting for the ordinance at the next regular election which supplies reasonable time for proper notices and printing of ballots, or at any special election called for that purpose. The legislative body of the municipality shall provide the manner of submitting the ordinance to the registered electors of the municipality for their approval or rejection, and determining the result of the election.

(2) A petition under subsection (1), including the circulation and signing of the petition, is subject to section 488 of the Michigan election law, 1954 PA 116, MCL 168.488. A person

who violates a provision of the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, applicable to a petition under subsection (1) is subject to the penalties prescribed for that violation in the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

(3) If a municipality has a charter and the charter provides for a right of referendum on municipal ordinances, then, in that municipality, the charter referendum provisions, instead of subsections (1) and (2), apply to an ordinance adopted under section 5.

125.141 Conduct of business at public meeting; writings subject to freedom of information act.

Sec. 11. (1) The business that a joint planning commission may perform shall be conducted at a public meeting of the joint planning commission held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(2) A writing prepared, owned, used, in the possession of, or retained by a joint planning commission in the performance of an official function is subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

This act is ordered to take immediate effect.
Approved December 17, 2003.
Filed with Secretary of State December 18, 2003.

[No. 227]

(HB 4666)

AN ACT to amend 1921 PA 207, entitled "An act to provide for the establishment in cities and villages of districts or zones within which the use of land and structures and the height, area, size, and location of buildings may be regulated by ordinance, and for which districts regulations shall be established for the light and ventilation of those buildings, and for which districts or zones the density of population may be regulated by ordinance; to designate the use of certain state licensed residential facilities; to provide by ordinance for the acquisition by purchase, condemnation, or otherwise of private property that does not conform to the regulations and restrictions of the various zones or districts provided; to provide for the administering of this act; to provide for amendments, supplements, or changes in zoning ordinances, zones, or districts; to provide for conflict with the state housing code or other acts, ordinances, or regulations; to provide sanctions for the violation of this act; to authorize the purchase of development rights; to authorize the issuance of bonds and notes; and to provide for special assessments," by amending section 4b (MCL 125.584b).

The People of the State of Michigan enact:

125.584b Planned unit development.

Sec. 4b. (1) As used in this section, "planned unit development" includes cluster zoning, planned development, community unit plan, planned residential development, and other terminology denoting zoning requirements designed to accomplish the objectives of the zoning ordinance through a land development project review process based on the application of site planning criteria to achieve integration of the proposed land development project with the characteristics of the project area.

(2) A city or village may establish in a zoning ordinance planned unit development requirements which permit flexibility in the regulation of land development; encourage innovation in land use and variety in design, layout, and type of structures constructed; achieve economy and efficiency in the use of land, natural resources, energy, and the providing of public services and utilities; encourage useful open space; and provide better housing, employment, and shopping opportunities particularly suited to the needs of the residents of the state. The review and approval of planned unit developments shall be by the commission appointed to formulate and subsequently administer the zoning ordinance, an official charged with administration of the ordinance, or the legislative body.

(3) Within a land development project designated as a planned unit development, regulations relating to the use of land, including, but not limited to, permitted uses, lot sizes, setbacks, height limits, required facilities, buffers, open space areas and how they are to be preserved, and land use density shall be determined in accord with the planned unit development regulations specified in the zoning ordinance. The planned unit development regulations need not be uniform with regard to each type of land use if equitable procedures recognizing due process principles and avoiding arbitrary decisions are followed in making regulatory decisions. Unless explicitly prohibited by the planned unit development regulations, if requested by the landowner, a city or village may approve a planned unit development with open space that is not contiguous with the rest of the planned unit development.

(4) The planned unit development regulations established by a city or village shall specify:

(a) The body or official which will review and approve planned unit development requests.

(b) The conditions which create planned unit development eligibility, the participants in the review process, and the requirements and standards upon which applications will be judged and approval granted.

(c) The procedures required for application, review, and approval.

(5) Following receipt of a request to approve a planned unit development, the body or official charged in the ordinance with the review and approval of planned unit developments shall hold at least 1 public hearing on the request. A zoning ordinance may provide for preapplication conferences before submission of a planned unit development request, and the submission of preliminary site plans before the public hearing. Notification of the public hearing shall be given in the same manner as required by section 4a(3) for public hearings on special land uses. Within a reasonable time following the public hearings, the body or official responsible for approving planned unit developments shall meet for final consideration of the request, and shall deny, approve, or approve with conditions, the request. It shall prepare a report stating its conclusions on the request for a planned unit development, the basis for its decision, the decision, and any conditions relating to an affirmative decision. If the ordinance requires that the legislative body amend the ordinance to act on the planned unit development request, and if the hearing was not held by the legislative body, the report, a summary of comments received at the public hearing, minutes of all proceedings, and all documents related to the planned unit development request, shall be transmitted to the legislative body for consideration in making a final decision. If an amendment of a zoning ordinance is required by the planned unit development regulations of a city or village zoning ordinance, the ordinance amendment procedures of this act shall be followed, except that the hearing required by this subsection shall be regarded as fulfilling the public hearing requirement of section 4.

(6) If the planned unit development regulations of a city or village zoning ordinance do not require amendment of the ordinance to authorize a planned unit development, the body or official charged in the zoning ordinance with review and approval of planned unit developments may give final approval, approval with conditions, or denial to a request.

(7) Final approvals may be granted on each phase of a multiphased planned unit development if each phase contains the necessary components to insure protection of natural resources and the health, safety, and welfare of the users of the planned unit development and the residents of the surrounding area.

(8) In establishing planned unit development regulations, a city or village may incorporate by reference other applicable ordinances or statutes which regulate land development. The planned unit development regulations contained in a zoning ordinance shall encourage complementary relationships between zoning regulations and other regulations affecting the development of land.

This act is ordered to take immediate effect.
Approved December 17, 2003.
Filed with Secretary of State December 18, 2003.

[No. 228]

(HB 4667)

AN ACT to amend 1943 PA 184, entitled "An act to provide for the establishment in townships of zoning districts within which the proper use of land and natural resources may be encouraged or regulated by ordinance, and for which districts provisions may also be adopted designating the location of, the size of, the uses that may be made of, the minimum open spaces, sanitary, safety, and protective measures that shall be required for, and the maximum number of families that may be housed in dwellings, buildings, and structures, including tents and trailer coaches, that are erected or altered; to designate the use of certain state licensed residential facilities; to provide for a method for the adoption of ordinances and amendments to ordinances; to provide for emergency interim ordinances; to provide for the acquisition by purchase, condemnation, or otherwise of nonconforming property; to provide for the administering of ordinances adopted; to provide for conflicts with other acts, ordinances, or regulations; to provide sanctions for violations; to provide for the assessment, levy, and collection of taxes; to provide for the collection of fees for building permits; to provide for petitions, public hearings, and referenda; to provide for appeals; to authorize the purchase of development rights; to authorize the issuance of bonds and notes; to provide for special assessments; and to prescribe penalties and provide remedies," by amending section 16c (MCL 125.286c).

The People of the State of Michigan enact:

125.286c Planned unit development.

Sec. 16c. (1) As used in this section, "planned unit development" includes cluster zoning, planned development, community unit plan, planned residential development, and other terminology denoting zoning requirements designed to accomplish the objectives of the zoning ordinance through a land development project review process based on the application of site planning criteria to achieve integration of the proposed land development project with the characteristics of the project area.

(2) A township may establish in a zoning ordinance planned unit development requirements which permit flexibility in the regulation of land development; encourage innovation in land use and variety in design, layout, and type of structures constructed; achieve economy and efficiency in the use of land, natural resources, energy, and the provision of public services and utilities; encourage useful open space; and provide better housing, employment, and shopping opportunities particularly suited to the needs of the residents of this state. The review and approval of planned unit developments shall be by the zoning board, an official charged with administration of the ordinance, or the township board.

(3) Within a land development project designated as a planned unit development, regulations relating to the use of land, including permitted uses, lot sizes, setbacks, height limits, required facilities, buffers, open space areas and how they are to be preserved, and land use density, shall be determined in accordance with the planned unit development regulations specified in the zoning ordinance. The planned unit development regulations need not be uniform with regard to each type of land use if equitable procedures recognizing due process principles and avoiding arbitrary decisions have been followed in making regulatory decisions. Unless explicitly prohibited by the planned unit development regulations, if requested by the landowner, a township may approve a planned unit development with open space that is not contiguous with the rest of the planned unit development.

(4) The planned unit development regulations established by a township shall specify:

(a) The body or official which will review and approve planned unit development requests.

(b) The conditions which create planned unit development eligibility, the participants in the review process, and the requirements and standards upon which applications will be judged and approval granted.

(c) The procedures required for application, review, and approval.

(5) Following receipt of a request to approve a planned unit development, the body or official charged in the ordinance with review and approval of planned unit developments shall hold at least 1 public hearing on the request. A zoning ordinance may provide for preapplication conferences before submission of a planned unit development request, and the submission of preliminary site plans before the public hearing. Notification of the public hearing shall be given in the same manner as required by section 16b(3) for public hearings on special land uses. Within a reasonable time following the public hearing, the body or official responsible for approving planned unit developments shall give final consideration to and shall deny, approve, or approve with conditions the request. The body or official shall prepare a report stating its conclusions on the request for a planned unit development, the basis for its decision, the decision, and any conditions relating to an affirmative decision. If the zoning ordinance requires that the township board amend the ordinance to approve the planned unit development request, the zoning board shall hold the hearing as required by section 9, and the report and documents related to the planned unit development request shall be transmitted to the township board for consideration in making a final decision. If amendment of a zoning ordinance is required by the planned unit development regulations of a township zoning ordinance, the requirements of this act for amendment of a zoning ordinance shall be followed, except that the hearing and notice required by this subsection shall be regarded as fulfilling the public hearing and notice requirements of section 9.

(6) If the planned unit development regulations of a township zoning ordinance do not require amendment of the ordinance to authorize a planned unit development, the body or

official charged in the zoning ordinance with review and approval of planned unit developments shall approve, approve with conditions, or deny a request.

(7) Final approvals may be granted on each phase of a multiphased planned unit development if each phase contains the necessary components to insure protection of natural resources and the health, safety, and welfare of the users of the planned unit development and the residents of the surrounding area.

(8) In establishing planned unit development requirements, a township may incorporate by reference other applicable ordinances or statutes which regulate land development. The planned unit development regulations contained in a zoning ordinance shall encourage complementary relationships between zoning regulations and other regulations affecting the development of land.

This act is ordered to take immediate effect.
Approved December 17, 2003.
Filed with Secretary of State December 18, 2003.

[No. 229]

(HB 4668)

AN ACT to amend 1943 PA 183, entitled "An act to provide for the establishment in portions of counties lying outside the limits of incorporated cities and villages of zoning districts within which the proper use of land and natural resources may be encouraged or regulated by ordinance, and for which districts provisions may also be adopted designating the location of, the size of, the uses that may be made of, the minimum open spaces, sanitary, safety, and protective measures that are required for, and the maximum number of families that may be housed in dwellings, buildings, and structures that are erected or altered; to designate the use of certain state licensed residential facilities; to provide for a method for the adoption of ordinances and amendments to ordinances; to provide for emergency interim ordinances; to provide by ordinance for the acquisition by purchase, condemnation, or otherwise, of property that does not conform to the requirements of the zoning districts so provided; to provide for the administering of ordinances adopted; to provide for conflicts with other acts, ordinances, or regulations; to provide sanctions for violations; to provide for the assessment, levy, and collection of taxes; to provide for referenda; to provide for appeals; to authorize the purchase of development rights; to authorize the issuance of bonds and notes; to provide for special assessments; and to prescribe penalties and provide remedies," by amending section 16c (MCL 125.216c).

The People of the State of Michigan enact:

125.216c Planned unit development.

Sec. 16c. (1) As used in this section, "planned unit development" includes cluster zoning, planned development, community unit plan, planned residential development, and other terminology denoting zoning requirements which are designed to accomplish the objectives of a zoning ordinance through a land development project review process based on the application of site planning criteria to achieve integration of the proposed land development project with the characteristics of the project area.

(2) A county may establish in a zoning ordinance planned unit development requirements which permit flexibility in the regulation of land development; encourage innovation in land use and variety in design, layout, and type of structures constructed; achieve economy and efficiency in the use of land, natural resources, energy, and the provision of public services and utilities; encourage useful open space; and provide better housing, employment, and shopping opportunities particularly suited to the needs of the residents of the state. The review and approval of a planned unit development shall be made by the zoning commission, an official charged with administration of the ordinance, or the county board of commissioners.

(3) Within a land development project designated as a planned unit development, regulations relating to the use of land, including permitted uses, lot sizes, setbacks, height limits, required facilities, buffers, open space areas and how they are to be preserved, and land use density shall be determined in accordance with the planned unit development regulations specified in the zoning ordinance. The planned unit development regulations need not be uniform with regard to each type of land use if equitable procedures recognizing due process principles and avoiding arbitrary decisions have been followed in making regulatory decisions. Unless explicitly prohibited by the planned unit development regulations, if requested by the landowner, a county may approve a planned unit development with open space that is not contiguous with the rest of the planned unit development.

(4) The planned unit development regulations established by a county shall specify the following:

(a) The body or official which shall review and approve planned unit development requests.

(b) The conditions which create planned unit development eligibility, the participants in the review process, and the requirements and standards upon which applications will be judged and approval granted.

(c) The procedures required for application, review, and approval.

(5) Following receipt of a request to approve a planned unit development, the body or official charged in the ordinance with the review and approval of planned unit developments shall hold at least 1 public hearing on the request. A zoning ordinance may provide for 1 or more preapplication conferences before submission of a planned unit development request, and the submission of preliminary site plans before the public hearing. Notification of the public hearing shall be given in the same manner as required by section 16b(3) for public hearings on special land uses. Within a reasonable time following the public hearing, the body or official responsible for approving planned unit developments shall give final consideration to and shall deny, approve, or approve with conditions the request. The body or official shall prepare a report stating its conclusions on the request for a planned unit development, the basis for its decision, the decision, and conditions relating to an affirmative decision. If the zoning ordinance requires that the county board of commissioners amend the ordinance to approve the planned unit development request, the zoning commission shall conduct the hearing as required by section 9, and the report and documents related to the planned unit development request shall be transmitted to the county board of commissioners for consideration in making a final decision. If an amendment of a zoning ordinance is required by the planned unit development regulations of a county zoning ordinance, the requirements of this act for amendment of a zoning ordinance shall be followed. However, the hearing and notice required by this subsection shall be regarded as fulfilling the public hearing and notice requirements of section 9.

(6) If the planned unit development regulations of a county zoning ordinance do not require amendment of the ordinance to authorize a planned unit development, the body or official charged in the zoning ordinance with review and approval of planned unit developments shall approve, approve with conditions, or deny a request.

(7) Final approvals may be granted on each phase of multiphased planned unit development if each phase contains the necessary components to insure protection of natural resources and the health, safety, and welfare of the users of the planned unit development and the residents of the surrounding area.

(8) In establishing planned unit development regulations, a county may incorporate by reference other applicable ordinances or statutes which regulate land development. The planned unit development regulations contained in a zoning ordinance shall encourage complementary relationships between zoning regulations and other requirements affecting the development of land.

This act is ordered to take immediate effect.
Approved December 17, 2003.
Filed with Secretary of State December 18, 2003.

[No. 230]

(HB 5027)

AN ACT to amend 1994 PA 451, entitled "An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, and assessments; to provide certain appropriations; to prescribe penalties and provide remedies; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts," by amending sections 82101, 82106, 82107, and 82109 (MCL 324.82101, 324.82106, 324.82107, and 324.82109), section 82101 as amended by 2003 PA 43, section 82106 as amended by 1998 PA 297, and sections 82107 and 82109 as added by 1995 PA 58.

The People of the State of Michigan enact:

324.82101 Definitions.

Sec. 82101. As used in this part:

(a) "Conviction" means a final conviction, the payment of a fine, a plea of guilty or nolo contendere if accepted by the court, or a finding of guilt or probate court disposition on a violation of this part, regardless of whether the penalty is rebated or suspended.

(b) "Dealer" means any person engaged in the sale, lease, or rental of snowmobiles as a regular business.

(c) "Former section 15a" means section 15a of former 1968 PA 74, as constituted prior to May 1, 1994.

(d) "Highly restricted personal information" means an individual's photograph or image, social security number, digitized signature, and medical and disability information.

(e) "Highway or street" means the entire width between the boundary lines of every way publicly maintained if any part thereof is open to the use of the public for purposes of vehicular travel.

(f) "In-kind contributions" means services and goods as approved by the department that are provided by a grant recipient toward completion of a department-approved local snowmobile program under section 82107.

(g) "Law of another state" means a law or ordinance enacted by another state or by a local unit of government in another state.

(h) "Long-term incapacitating injury" means an injury that causes a person to be in a comatose, quadriplegic, hemiplegic, or paraplegic state, which state is likely to continue for 1 year or more.

(i) "Operate" means to ride in or on and be in actual physical control of the operation of a snowmobile.

(j) "Operator" means any person who operates a snowmobile.

(k) "Owner" means any of the following:

(*i*) A person who holds the legal title to a snowmobile.

(*ii*) A vendee or lessee of a snowmobile that is the subject of an agreement for conditional sale or lease with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee.

(*iii*) A person renting a snowmobile or having the exclusive use of a snowmobile for more than 30 days.

(*l*) "Peace officer" means any of the following:

(*i*) A sheriff.

(*ii*) A sheriff's deputy.

(*iii*) A deputy who is authorized by a sheriff to enforce this part and who has satisfactorily completed at least 40 hours of law enforcement training, including training specific to this part.

(*iv*) A village or township marshal.

(*v*) An officer of the police department of any municipality.

(*vi*) An officer of the Michigan state police.

(*vii*) The director and conservation officers employed by the department.

(*viii*) A law enforcement officer who is certified pursuant to the commission on law enforcement standards act, 1965 PA 203, MCL 28.601 to 28.616, as long as that officer is policing within his or her jurisdiction.

(m) "Personal information" means information that identifies an individual, including an individual's driver identification number, name, address not including zip code, and telephone number, but does not include information on snowmobile operation or equipment-related violations or civil infractions, operator or snowmobile registration status, accidents, or other behaviorally-related information.

(n) "Probate court or family division disposition" means the entry of a probate court order of disposition or family division order of disposition for a child found to be within the provisions of chapter XIIA of the probate code of 1939, 1939 PA 288, MCL 712A.1 to 712A.32.

(o) "Prosecuting attorney", except as the context requires otherwise, means the attorney general, the prosecuting attorney of a county, or the attorney representing a local unit of government.

(p) "Right-of-way" means that portion of a highway or street less the roadway and any shoulder.

(q) "Roadway" means that portion of a highway or street improved, designated, or ordinarily used for vehicular travel. If a highway or street includes 2 or more separate roadways, the term roadway refers to any such roadway separately, but not to all such roadways collectively.

(r) "Shoulder" means that portion of a highway or street on either side of the roadway that is normally snowplowed for the safety and convenience of vehicular traffic.

(s) "Snowmobile" means any motor-driven vehicle designed for travel primarily on snow or ice of a type that utilizes sled-type runners or skis, an endless belt tread, or any combination of these or other similar means of contact with the surface upon which it is operated, but is not a vehicle that must be registered under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923.

(t) "Zone 1" means all of the Upper Peninsula.

(u) "Zone 2" means all of that part of the Lower Peninsula north of a line beginning at and drawn from a point on the Michigan-Wisconsin boundary line due west of the westerly terminus of River road in Muskegon county; thence due east to the westerly terminus of River road; thence north and east along the center line of the River road to its intersection with highway M-120; thence northeasterly and easterly along the center line of highway M-120 to the junction of highway M-20; thence easterly along the center line of M-20 to its junction with US-10 at the Midland-Bay county line; thence easterly along the center line of the "business route" of highway US-10 to the intersection of Garfield road in Bay county; thence north along the center line of Garfield road to the intersection of the Pinconning road; thence east along the center line of Pinconning road to the intersection of the Seven Mile road; thence north along the center of the Seven Mile road to the Bay-Arenac county line; thence north along the center line of the Lincoln School road (county road 25) in Arenac county to the intersection of highway M-61; thence east along the center line of highway M-61 to the junction of highway US-23; thence northerly and easterly along the center line of highway US-23 to the center line of the Au Gres river; thence southerly along the center line of the river to its junction with Saginaw Bay of Lake Huron; thence north 78° east to the international boundary line between the United States and the Dominion of Canada.

(v) "Zone 3" means all of that part of the Lower Peninsula south of the line described in subdivision (u).

324.82106 Disposition of revenue; designation of state recreational trail coordinator; plan for statewide recreational and snowmobile trails system; expenditures; construction of recreational trail facilities or major improvements on private land; interconnecting network of statewide snowmobile trails and use areas; alternative nonconflicting off-season recreational trail uses.

Sec. 82106. (1) Except as otherwise provided in this part, revenue received from the registration fees under this part shall be deposited as follows:

(a) Seventeen dollars of each registration fee shall be deposited into the snowmobile registration fee fund. However, if the balance of the snowmobile registration fee fund exceeds $1,600,000.00 at any time, the state treasurer shall transfer all amounts in excess of $1,600,000.00 to the recreational snowmobile trail improvement fund. From the revenue

deposited in the snowmobile registration fee fund under this part, the legislature shall make an annual appropriation as follows:

(*i*) Not more than $3.00 from each registration fee collected during each fiscal year shall be appropriated to the department of state for administration of the registration provisions of this part. At the close of each state fiscal year, any funds appropriated under this subparagraph but not expended shall be credited to the recreational snowmobile trail improvement fund. Additionally, if less than $3.00 from each registration fee is appropriated to the department of state, the state treasurer shall transfer the difference between $3.00 and the amount appropriated from each registration fee to the recreational snowmobile trail improvement fund.

(*ii*) Fourteen dollars from each registration fee collected during each fiscal year shall be appropriated to the department for purposes set forth in section 82107, including financial assistance to county sheriff departments and local law enforcement agencies for local snowmobile programs. Any money appropriated but not expended under this subparagraph shall be credited each year to the snowmobile registration fee fund.

(b) Five dollars from each registration fee shall be deposited in the recreational snowmobile trail improvement fund and shall be administered by the department for the purposes of planning, construction, maintenance, and acquisition of trails and areas for the use of snowmobiles, or access to those trails and areas, and basic snowmobile facilities. Consideration shall be given in planning the expenditures of the funds to providing recreational opportunities for bicyclists, hikers, equestrians, and other nonconflicting recreational trail users as ancillary benefits of the program.

(2) The department shall designate a state recreational trail coordinator and shall maintain a comprehensive plan for implementing a statewide recreational and snowmobile trails system. The comprehensive plan shall be reviewed and updated each year by the department.

(3) The money appropriated under this section to the department for snowmobile trails and areas, for access to those trails or areas, and for basic snowmobile facilities may be expended for the acquisition, development, and maintenance on any land in the state. This money may be used to purchase lands or secure easements, leases, permits, or other appropriate agreements permitting use of private property for snowmobile trails, basic facilities, and areas which may be used by bicyclists, hikers, equestrians, and other nonconflicting off-season recreational trail users, if the easements, leases, permits, or other agreements provide public access to the trail, use areas, and support facilities.

(4) Recreational trail facilities or major improvements shall not be constructed on private land unless a written agreement in the form of an easement, lease, or permit for a public trail right-of-way having a term of not less than 5 years is made between the owner of the land and the department.

(5) The money appropriated under this section shall be expended in a manner and as part of the overall plan of the department for an interconnecting network of statewide snowmobile trails and use areas giving consideration to expected snowfall and availability for use with adequate snow cover. Consideration shall be given in the plan for alternative nonconflicting off-season recreational trail uses.

324.82107 Annual budget request to include amounts for department enforcement of part and local snowmobile programs; financial assistance to counties; cooperation in conduct of program; records; reports; rules.

Sec. 82107. (1) The annual budget request of the department shall include an amount for department enforcement of this part, for department administration of the programs

provided for in this part, and for local snowmobile programs provided for under this section. In preparing its annual budget for snowmobile registration fee funds, the department shall do both of the following:

(a) Seek input from the snowmobile advisory committee created under section 82102a.

(b) To the degree feasible, give priority to use of the funds for enforcement efforts under local snowmobile programs.

(2) The department shall provide for an annual program of financial assistance to county sheriff departments and local law enforcement agencies for local snowmobile programs that shall include enforcement of this part and may also include, at the discretion of the department, a snowmobile safety education and training program based on the criteria set forth in section 82108. A county sheriff department or local law enforcement agency desiring to conduct a local snowmobile program shall submit to the department by November 1 of each year an estimate of authorized expenditures for the following calendar year, in a form and containing the information which the department requires. The department shall review the entire request and may approve a request for financial assistance in part or in whole.

(3) The amount of financial assistance to be allocated to a county sheriff department or local law enforcement agency pursuant to this section shall be determined by the department. In determining the amount of financial assistance provided to each county sheriff or local law enforcement agency, the department shall give priority to law enforcement activities and may give priority to locations where, in the determination of the department, a greater need for a local snowmobile program exists.

(4) Upon approval by the department, a county sheriff department or local law enforcement agency may use in-kind contributions in calculating its authorized expenditures not to exceed 15% of the total authorized expenditures.

(5) The department shall not provide financial assistance to a county sheriff department or local law enforcement agency in excess of 85% of the authorized expenditure documented by the county or local agency and approved by the department.

(6) Financial assistance allocated to a county sheriff department or local law enforcement agency under this section shall be used exclusively for the conduct of a local snowmobile program as provided by this part and the rules promulgated under this part.

(7) County sheriff departments and local law enforcement agencies that receive financial assistance under this section shall maintain records of activities, expenditures, and in-kind contributions and shall submit documentation and reports to the department by deadlines, in form, and containing information as the department requires.

(8) The department shall cooperate with county sheriff departments and local law enforcement departments that are operating local snowmobile programs that are funded under this section.

(9) The department may promulgate rules to implement this section.

324.82109 Appropriation; uses; allocation; grants; contract payments; financial assistance; conditions; application; grant agreement or contract; payment; term; request for information; report.

Sec. 82109. (1) Money appropriated to the department from the recreational snowmobile trail improvement fund shall be used for 1 or more of the following:

(a) Planning, constructing, maintaining, and acquiring trails and areas for the use of snowmobiles, or access to those trails and areas, and basic snowmobile facilities.

(b) Financial assistance to local units of government and nonprofit incorporated snowmobile clubs or organizations considered eligible by the department.

(c) The department's administration of subdivisions (a) and (b).

(2) In preparing its annual budget for recreational snowmobile trail improvement funds and determining the allocation of funds as provided for in subsection (1), the department shall do both of the following:

(a) Seek input from the snowmobile advisory committee created under section 82102a.

(b) To the degree feasible, give priority to use of the funds for financial assistance to local units of government and nonprofit incorporated snowmobile clubs or organizations.

(3) A portion of the funds appropriated to the department each year shall be used to provide financial assistance to local units of government and nonprofit incorporated snowmobile clubs or organizations in the form of grants or contract payments for annual snowmobile trail maintenance costs, including signage and liability insurance. The department may also issue grants or enter into contracts for 1 or more of the following additional activities:

(a) Maintenance equipment.

(b) Repair or new development of snowmobile trails or related facilities, including the costs of designing and engineering for grant-funded improvements.

(c) Acquisition of land or rights in lands for snowmobile trails or related facilities, costs of leases, permits, easements, or other agreements that allow for use of private lands for public access to snowmobile trails and related facilities, or development of new snowmobile trails and related facilities.

(4) Financial assistance shall not be made under this section unless the costs are for a trail that is available for public snowmobile use and is approved by the department.

(5) Financial assistance shall be allocated as follows:

(a) Assistance for snowmobile trail maintenance costs, excluding signage and liability insurance, shall be according to a formula promulgated by the state recreational trail coordinator, which shall provide an amount up to 100% of the actual, eligible expense of maintaining the trail per year incurred and documented by the grant recipient or contractor and approved by the department.

(b) Assistance for the cost of land acquisition, leasing, permits, or other agreements may equal 100% of the actual, eligible expenses incurred and documented by the grant recipient or contractor and approved by the department.

(c) Assistance for signage may equal 100% of the actual, eligible costs incurred and documented by the grant recipient or contractor and approved by the department. In lieu of financial assistance for signage, the department may choose to use recreational snowmobile trail improvement funds to purchase signs and provide them to grant recipients or contractors. Financial assistance for signs shall not be provided under this section unless the snowmobile trails meet minimum state snowmobile trail construction standards and are funded for snowmobile season maintenance.

(d) Assistance for trail insurance may equal 100% of the actual, eligible costs incurred and documented by the grant recipient or contractor and approved by the department.

(e) Assistance for repair or the development of new trails or trail facilities shall equal 100% of the actual, eligible costs incurred and documented by the grant recipient or contractor and approved by the department.

(f) The department may also assist in a portion of the costs of acquiring grooming equipment. The department shall determine the available grant or contract percentage for

eligible grooming equipment costs on an annual basis and publish the percentage prior to the application deadline. Assistance for acquiring grooming equipment shall be based on actual, eligible costs incurred and documented by the grant recipient or contractor and approved by the department.

(6) To be considered for financial assistance, a local unit of government or nonprofit incorporated snowmobile club or organization must submit an application on a form provided by the department and by a deadline established by the department. An application shall include a proposed budget and the amount of financial assistance requested for each of the activities for which assistance is requested.

(7) To receive financial assistance under this section, a local unit of government or nonprofit incorporated snowmobile club or organization must enter into a grant agreement or contract with the department that specifies the obligations of the grant recipient or contractor. The grant agreement or contract shall include provisions as determined by the department, including, but not limited to, requirements that the grant recipient or contractor maintain records and submit documentation and reports to the department to verify expenditure of money received. The grant agreement or contract shall also require a grant recipient or contractor to adhere to trail specifications prescribed by the department.

(8) Upon execution of a grant agreement or contract, the department may, at its discretion, provide an advanced payment for a portion of the projected cost for 1 or more of the approved activities. The department shall make final payment upon completion of the project as determined by the department and department approval of cost documentation submitted by the grant recipient or contractor.

(9) A grant agreement or contract shall include a specified term for which the grant agreement or contract is valid. Grant or contract funds shall be encumbered upon execution of the grant agreement or contract and remain available for the specified term. Grant or contract funds not expended by a grant recipient or contractor within the specified term may, at the department's discretion, be reallocated to the grant recipient or contractor as part of a new grant agreement or contract.

(10) The department of state and the department shall include in their annual budget requests information detailing their snowmobile programs.

(11) Beginning March 31, 2004, the department shall provide a biannual report to the commission of its expenditures under this section for the prior 2 fiscal years.

This act is ordered to take immediate effect.
Approved December 17, 2003.
Filed with Secretary of State December 18, 2003.

[No. 231]

(SB 658)

AN ACT to amend 1994 PA 451, entitled "An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local

agencies and officials; to provide for certain charges, fees, and assessments; to provide certain appropriations; to prescribe penalties and provide remedies; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts," (MCL 324.101 to 324.90106) by adding section 80134a.

The People of the State of Michigan enact:

324.80134a Accident involving serious impairment of body function or death; remaining at scene of accident; violation as felony; "serious impairment of a body function" defined.

Sec. 80134a. (1) The operator of a vessel who knows or who has reason to believe that he or she has been involved in an accident resulting in serious impairment of a body function or death of a person shall immediately stop his or her vessel at the scene of the accident and shall remain there until the requirements of sections 80133 and 80134 are fulfilled.

(2) Except as provided in subsection (3), a person who violates subsection (1) is guilty of a felony punishable by imprisonment for not more than 5 years or by a fine of not more than $5,000.00, or both.

(3) A person who violates subsection (1) following an accident caused by that person that results in the death of another person is guilty of a felony punishable by imprisonment for not more than 15 years or a fine of not more than $10,000.00, or both.

(4) As used in this section, "serious impairment of a body function" means that term as defined in section 58c of the Michigan vehicle code, 1949 PA 300, MCL 257.58c.

Effective date.

Enacting section 1. This amendatory act takes effect April 1, 2004.

This act is ordered to take immediate effect.
Approved December 22, 2003.
Filed with Secretary of State December 22, 2003.

[No. 232]

(SB 659)

AN ACT to amend 1927 PA 175, entitled "An act to revise, consolidate, and codify the laws relating to criminal procedure and to define the jurisdiction, powers, and duties of courts, judges, and other officers of the court under the provisions of this act; to provide laws relative to the rights of persons accused of criminal offenses and ordinance violations; to provide for the arrest of persons charged with or suspected of criminal offenses and ordinance violations; to provide for bail of persons arrested for or accused of criminal offenses and ordinance violations; to provide for the examination of persons accused of criminal offenses; to regulate the procedure relative to grand juries, indictments, informations, and proceedings before trial; to provide for trials of persons complained of or indicted for criminal offenses and ordinance violations and to provide for the procedure in those trials; to provide for judgments and sentences of persons convicted of criminal offenses and ordinance violations; to establish a sentencing commission and to prescribe its powers and duties; to provide for procedure relating to new trials and appeals in criminal and ordinance violation cases; to provide a uniform system of probation throughout this

state and the appointment of probation officers; to prescribe the powers, duties, and compensation of probation officers; to provide penalties for the violation of the duties of probation officers; to provide for procedure governing proceedings to prevent crime and proceedings for the discovery of crime; to provide for fees of officers, witnesses, and others in criminal and ordinance violation cases; to set forth miscellaneous provisions as to criminal procedure in certain cases; to provide penalties for the violation of certain provisions of this act; and to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act," by amending section 13g of chapter XVII (MCL 777.13g), as added by 2002 PA 30.

The People of the State of Michigan enact:

CHAPTER XVII

777.13g Applicability of chapter to certain felonies; MCL 324.76107(3) to 324.82160(3).

Sec. 13g. This chapter applies to the following felonies enumerated in chapter 324 of the Michigan Compiled Laws:

M.C.L.	Category	Class	Description	Stat Max
324.76107(3)	Pub ord	D	Removing or mutilating human body from Great Lakes bottomland	10
324.76107(4)(c)	Property	E	Recovering abandoned property in Great Lakes having value of $1,000 to $20,000 or with prior convictions	5
324.76107(4)(d)	Property	D	Recovering abandoned property in Great Lakes having value of $20,000 or more or with prior convictions	10
324.80130d(1)	Pub ord	H	False representation to obtain personal information	4
324.80130d(2)	Pub ord	G	False representation to obtain personal information — second offense	7
324.80130d(3)	Pub ord	C	False representation to obtain personal information — third or subsequent offense	15
324.80134a(2)	Person	E	Failure to stop at scene of marine accident causing serious impairment or death	5
324.80134a(3)	Person	C	Failure to stop at scene of marine accident causing death when at fault	15
324.80172	Person	G	Negligent crippling or homicide by vessel	2
324.80173	Person	G	Felonious operation of a vessel	2
324.80176(4)	Person	C	Operating a vessel under the influence causing death	15

324.80176(5)	Person	E	Operating a vessel under the influence causing serious impairment	5
324.80177(1)(c)	Pub saf	E	Operating a vessel under the influence — third or subsequent offense	5
324.80319a(1)	Pub ord	H	False representation to obtain personal information	4
324.80319a(2)	Pub ord	G	False representation to obtain personal information — second offense	7
324.80319a(3)	Pub ord	C	False representation to obtain personal information — third or subsequent offense	15
324.81120(1)	Pub ord	H	False representation to obtain personal information	4
324.81120(2)	Pub ord	G	False representation to obtain personal information — second offense	7
324.81120(3)	Pub ord	C	False representation to obtain personal information — third or subsequent offense	15
324.81134(6)	Pub saf	E	Operating an ORV under the influence — third or subsequent offense	5
324.81134(7)	Person	C	Operating an ORV under the influence causing death	15
324.81134(8)	Person	E	Operating an ORV under the influence causing serious impairment	5
324.82126c(1)	Person	G	Operating a snowmobile carelessly or negligently causing death or serious impairment	2
324.82126c(2)	Person	G	Operating a snowmobile without regard to safety causing serious impairment	2
324.82127(4)	Person	C	Operating a snowmobile under the influence causing death	15
324.82127(5)	Person	E	Operating a snowmobile under the influence causing serious impairment	5
324.82128(1)(c)	Pub saf	E	Operating a snowmobile under the influence — third or subsequent offense	5
324.82160(1)	Pub ord	H	False representation to obtain personal information	4
324.82160(2)	Pub ord	G	False representation to obtain personal information — second offense	7
324.82160(3)	Pub ord	C	False representation to obtain personal information — third or subsequent offense	15

Effective date.

Enacting section 1. This amendatory act takes effect April 1, 2004.

Conditional effective date.

Enacting section 2. This amendatory act does not take effect unless Senate Bill No. 658 of the 92nd Legislature is enacted into law.

This act is ordered to take immediate effect.
Approved December 22, 2003.
Filed with Secretary of State December 22, 2003.

Compiler's note: Senate Bill No. 658, referred to in enacting section 2, was filed with the Secretary of State December 22, 2003, and became P.A. 2003, No. 231, Eff. Apr. 1, 2004.

[No. 233]

(HB 4518)

AN ACT to amend 1978 PA 368, entitled "An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates," by amending section 20919 (MCL 333.20919), as amended by 2000 PA 375.

The People of the State of Michigan enact:

333.20919 Protocols for practice of life support agencies and licensed emergency medical services personnel; development and adoption; procedures; conflict with Michigan do-not-resuscitate procedure act prohibited; compliance with requirements; appeal; standards for equipment and personnel; negative medical or economic impacts; epinephrine auto-injector; availability of medical and economic information; review; findings.

Sec. 20919. (1) A local medical control authority shall establish written protocols for the practice of life support agencies and licensed emergency medical services personnel

within its region. The protocols shall be developed and adopted in accordance with procedures established by the department and shall include all of the following:

(a) The acts, tasks, or functions that may be performed by each type of emergency medical services personnel licensed under this part.

(b) Medical protocols to ensure the appropriate dispatching of a life support agency based upon medical need and the capability of the emergency medical services system.

(c) Protocols for complying with the Michigan do-not-resuscitate procedure act, 1996 PA 193, MCL 333.1051 to 333.1067.

(d) Protocols defining the process, actions, and sanctions a medical control authority may use in holding a life support agency or personnel accountable.

(e) Protocols to ensure that if the medical control authority determines that an immediate threat to the public health, safety, or welfare exists, appropriate action to remove medical control can immediately be taken until the medical control authority has had the opportunity to review the matter at a medical control authority hearing. The protocols shall require that the hearing is held within 3 business days after the medical control authority's determination.

(f) Protocols to ensure that if medical control has been removed from a participant in an emergency medical services system, the participant does not provide prehospital care until medical control is reinstated, and that the medical control authority that removed the medical control notifies the department within 1 business day of the removal.

(g) Protocols that ensure a quality improvement program is in place within a medical control authority and provides data protection as provided in 1967 PA 270, MCL 331.531 to 331.533.

(h) Protocols to ensure that an appropriate appeals process is in place.

(i) Within 1 year after the effective date of the amendatory act that added this subdivision, protocols to ensure that each life support agency that provides basic life support, limited advanced life support, or advanced life support is equipped with epinephrine or epinephrine auto-injectors and that each emergency services personnel authorized to provide those services is properly trained to recognize an anaphylactic reaction, to administer the epinephrine, and to dispose of the epinephrine auto-injector or vial.

(2) A protocol established under this section shall not conflict with the Michigan do-not-resuscitate procedure act, 1996 PA 193, MCL 333.1051 to 333.1067.

(3) The procedures established by the department for development and adoption of written protocols under this section shall comply with at least all of the following requirements:

(a) At least 60 days before adoption of a protocol, the medical control authority shall circulate a written draft of the proposed protocol to all significantly affected persons within the emergency medical services system served by the medical control authority and submit the written draft to the department for approval.

(b) The department shall review a proposed protocol for consistency with other protocols concerning similar subject matter that have already been established in this state and shall consider any written comments received from interested persons in its review.

(c) Within 60 days after receiving a written draft of a proposed protocol from a medical control authority, the department shall provide a written recommendation to the medical control authority with any comments or suggested changes on the proposed protocol. If the department does not respond within 60 days after receiving the written draft, the proposed protocol shall be considered to be approved by the department.

(d) After department approval of a proposed protocol, the medical control authority may formally adopt and implement the protocol.

(e) A medical control authority may establish an emergency protocol necessary to preserve the health or safety of individuals within its jurisdiction in response to a present medical emergency or disaster without following the procedures established by the department under this section for an ordinary protocol. An emergency protocol established under this subdivision is effective only for a limited time period and does not take permanent effect unless it is approved according to this subsection.

(4) A medical control authority shall provide an opportunity for an affected participant in an emergency medical services system to appeal a decision of the medical control authority. Following appeal, the medical control authority may affirm, suspend, or revoke its original decision. After appeals to the medical control authority have been exhausted, the affected participant in an emergency medical services system may appeal the medical control authority's decision to the statewide emergency medical services coordination committee. The statewide emergency medical services coordination committee shall issue an opinion on whether the actions or decisions of the medical control authority are in accordance with the department-approved protocols of the medical control authority and state law. If the statewide emergency medical services coordination committee determines in its opinion that the actions or decisions of the medical control authority are not in accordance with the medical control authority's department-approved protocols or with state law, the emergency medical services coordination committee shall recommend that the department take any enforcement action authorized under this code.

(5) If adopted in protocols approved by the department, a medical control authority may require life support agencies within its region to meet reasonable additional standards for equipment and personnel, other than medical first responders, that may be more stringent than are otherwise required under this part. If a medical control authority establishes additional standards for equipment and personnel, the medical control authority and the department shall consider the medical and economic impact on the local community, the need for communities to do long-term planning, and the availability of personnel. If either the medical control authority or the department determines that negative medical or economic impacts outweigh the benefits of those additional standards as they affect public health, safety, and welfare, protocols containing those additional standards shall not be adopted.

(6) If adopted in protocols approved by the department, a local medical control authority may require medical first response services and licensed medical first responders within its region to meet additional standards for equipment and personnel to ensure that each medical first response service is equipped with an epinephrine auto-injector, and that each licensed medical first responder is properly trained to recognize an anaphylactic reaction and to administer and dispose of the epinephrine auto-injector, if a life support agency that provides basic life support, limited advanced life support, or advanced life support is not readily available in that location.

(7) If a decision of the medical control authority under subsection (5) or (6) is appealed by an affected person, the medical control authority shall make available, in writing, the medical and economic information it considered in making its decision. On appeal, the statewide emergency medical services coordination committee shall review this information under subsection (4) and shall issue its findings in writing.

This act is ordered to take immediate effect.

Approved December 22, 2003.

Filed with Secretary of State December 22, 2003.

[No. 234]

(HB 4655)

AN ACT to amend 1978 PA 368, entitled "An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates," by amending the title and sections 16186, 16221, 16226, and 20161 (MCL 333.16186, 333.16221, 333.16226, and 333.20161), the title as amended by 2002 PA 303, sections 16186 and 16226 as amended by 2002 PA 643, section 16221 as amended by 2002 PA 402, and section 20161 as amended by 2003 PA 113, and by adding section 16193.

The People of the State of Michigan enact:

TITLE

An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates.

333.16186 Reciprocity; requirements.

Sec. 16186. (1) An individual who is licensed to practice a health profession in another state or, until January 1, 2007, is licensed to practice a health profession in a province of Canada, who is registered in another state, or who holds a health profession specialty field license or specialty certification from another state and who applies for licensure, registration, specialty certification, or a health profession specialty field license in this state may be granted an appropriate license or registration or specialty certification or health profession specialty field license upon satisfying the board or task force to which the applicant applies as to all of the following:

(a) The applicant substantially meets the requirements of this article and rules promulgated under this article for licensure, registration, specialty certification, or a health profession specialty field license.

(b) Subject to subsection (3), the applicant is licensed, registered, specialty certified, or specialty licensed in another state or, until January 1, 2007, is licensed in a province in Canada that maintains standards substantially equivalent to those of this state.

(c) Subject to subsection (3), until January 1, 2007, if the applicant is licensed to practice a health profession in a province in Canada, the applicant completed the educational requirements in Canada or in the United States for licensure in Canada or in the United States.

(d) Until January 1, 2007, if the applicant is licensed to practice a health profession in a province in Canada, that the applicant will perform the professional services for which he or she bills in this state, and that any resulting request for third party reimbursement will originate from the applicant's place of employment in this state.

(2) Before granting a license, registration, specialty certification, or a health profession specialty field license to the applicant, the board or task force to which the applicant applies may require the applicant to appear personally before it for an interview to evaluate the applicant's relevant qualifications.

(3) For purposes of the 2002 amendatory act that added this subsection, an applicant who is licensed in a province in Canada who meets the requirements of subsection (1)(c) and takes and passes a national examination in this country that is approved by the appropriate Michigan licensing board, or who takes and passes a Canadian national examination approved by the appropriate Michigan licensing board, is considered to have met the requirements of subsection (1)(b). This subsection does not apply if the department, in consultation with the appropriate licensing board, promulgates a rule disallowing the use of this subsection for an applicant licensed in a province in Canada.

333.16193 Chemical analysis; implied consent to submit.

Sec. 16193. Acceptance of a license or registration under this article constitutes implied consent to submit to a chemical analysis under section 430 of the Michigan penal code, 1931 PA 328, MCL 750.430.

333.16221 Investigation of licensee, registrant, or applicant for licensure or registration; hearings, oaths, and testimony; report; grounds for proceeding under MCL 333.16226.

Sec. 16221. The department may investigate activities related to the practice of a health profession by a licensee, a registrant, or an applicant for licensure or registration. The department may hold hearings, administer oaths, and order relevant testimony to be taken and shall report its findings to the appropriate disciplinary subcommittee. The

disciplinary subcommittee shall proceed under section 16226 if it finds that 1 or more of the following grounds exist:

(a) A violation of general duty, consisting of negligence or failure to exercise due care, including negligent delegation to or supervision of employees or other individuals, whether or not injury results, or any conduct, practice, or condition that impairs, or may impair, the ability to safely and skillfully practice the health profession.

(b) Personal disqualifications, consisting of 1 or more of the following:

(*i*) Incompetence.

(*ii*) Subject to sections 16165 to 16170a, substance abuse as defined in section 6107.

(*iii*) Mental or physical inability reasonably related to and adversely affecting the licensee's ability to practice in a safe and competent manner.

(*iv*) Declaration of mental incompetence by a court of competent jurisdiction.

(*v*) Conviction of a misdemeanor punishable by imprisonment for a maximum term of 2 years; a misdemeanor involving the illegal delivery, possession, or use of a controlled substance; or a felony. A certified copy of the court record is conclusive evidence of the conviction.

(*vi*) Lack of good moral character.

(*vii*) Conviction of a criminal offense under sections 520b to 520g of the Michigan penal code, 1931 PA 328, MCL 750.520b to 750.520g. A certified copy of the court record is conclusive evidence of the conviction.

(*viii*) Conviction of a violation of section 492a of the Michigan penal code, 1931 PA 328, MCL 750.492a. A certified copy of the court record is conclusive evidence of the conviction.

(*ix*) Conviction of a misdemeanor or felony involving fraud in obtaining or attempting to obtain fees related to the practice of a health profession. A certified copy of the court record is conclusive evidence of the conviction.

(*x*) Final adverse administrative action by a licensure, registration, disciplinary, or certification board involving the holder of, or an applicant for, a license or registration regulated by another state or a territory of the United States, by the United States military, by the federal government, or by another country. A certified copy of the record of the board is conclusive evidence of the final action.

(*xi*) Conviction of a misdemeanor that is reasonably related to or that adversely affects the licensee's ability to practice in a safe and competent manner. A certified copy of the court record is conclusive evidence of the conviction.

(*xii*) Conviction of a violation of section 430 of the Michigan penal code, 1931 PA 328, MCL 750.430. A certified copy of the court record is conclusive evidence of the conviction.

(c) Prohibited acts, consisting of 1 or more of the following:

(*i*) Fraud or deceit in obtaining or renewing a license or registration.

(*ii*) Permitting the license or registration to be used by an unauthorized person.

(*iii*) Practice outside the scope of a license.

(*iv*) Obtaining, possessing, or attempting to obtain or possess a controlled substance as defined in section 7104 or a drug as defined in section 7105 without lawful authority; or selling, prescribing, giving away, or administering drugs for other than lawful diagnostic or therapeutic purposes.

(d) Unethical business practices, consisting of 1 or more of the following:

(*i*) False or misleading advertising.

(*ii*) Dividing fees for referral of patients or accepting kickbacks on medical or surgical services, appliances, or medications purchased by or in behalf of patients.

(*iii*) Fraud or deceit in obtaining or attempting to obtain third party reimbursement.

(e) Unprofessional conduct, consisting of 1 or more of the following:

(*i*) Misrepresentation to a consumer or patient or in obtaining or attempting to obtain third party reimbursement in the course of professional practice.

(*ii*) Betrayal of a professional confidence.

(*iii*) Promotion for personal gain of an unnecessary drug, device, treatment, procedure, or service.

(*iv*) Either of the following:

(A) A requirement by a licensee other than a physician that an individual purchase or secure a drug, device, treatment, procedure, or service from another person, place, facility, or business in which the licensee has a financial interest.

(B) A referral by a physician for a designated health service that violates section 1877 of part D of title XVIII of the social security act, 42 U.S.C. 1395nn, or a regulation promulgated under that section. Section 1877 of part D of title XVIII of the social security act, 42 U.S.C. 1395nn, and the regulations promulgated under that section, as they exist on June 3, 2002, are incorporated by reference for purposes of this subparagraph. A disciplinary subcommittee shall apply section 1877 of part D of title XVIII of the social security act, 42 U.S.C. 1395nn, and the regulations promulgated under that section regardless of the source of payment for the designated health service referred and rendered. If section 1877 of part D of title XVIII of the social security act, 42 U.S.C. 1395nn, or a regulation promulgated under that section is revised after June 3, 2002, the department shall officially take notice of the revision. Within 30 days after taking notice of the revision, the department shall decide whether or not the revision pertains to referral by physicians for designated health services and continues to protect the public from inappropriate referrals by physicians. If the department decides that the revision does both of those things, the department may promulgate rules to incorporate the revision by reference. If the department does promulgate rules to incorporate the revision by reference, the department shall not make any changes to the revision. As used in this subparagraph, "designated health service" means that term as defined in section 1877 of part D of title XVIII of the social security act, 42 U.S.C. 1395nn, and the regulations promulgated under that section and "physician" means that term as defined in sections 17001 and 17501.

(*v*) For a physician who makes referrals pursuant to section 1877 of part D of title XVIII of the social security act, 42 U.S.C. 1395nn, or a regulation promulgated under that section, refusing to accept a reasonable proportion of patients eligible for medicaid and refusing to accept payment from medicaid or medicare as payment in full for a treatment, procedure, or service for which the physician refers the individual and in which the physician has a financial interest. A physician who owns all or part of a facility in which he or she provides surgical services is not subject to this subparagraph if a referred surgical procedure he or she performs in the facility is not reimbursed at a minimum of the appropriate medicaid or medicare outpatient fee schedule, including the combined technical and professional components.

(f) Beginning June 3, 2003, the department of consumer and industry services shall prepare the first of 3 annual reports on the effect of this amendatory act on access to care for the uninsured and medicaid patients. The department shall report on the number of referrals by licensees of uninsured and medicaid patients to purchase or secure a drug,

device, treatment, procedure, or service from another person, place, facility, or business in which the licensee has a financial interest.

(g) Failure to report a change of name or mailing address within 30 days after the change occurs.

(h) A violation, or aiding or abetting in a violation, of this article or of a rule promulgated under this article.

(i) Failure to comply with a subpoena issued pursuant to this part, failure to respond to a complaint issued under this article or article 7, failure to appear at a compliance conference or an administrative hearing, or failure to report under section 16222 or 16223.

(j) Failure to pay an installment of an assessment levied pursuant to the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, within 60 days after notice by the appropriate board.

(k) A violation of section 17013 or 17513.

(*l*) Failure to meet 1 or more of the requirements for licensure or registration under section 16174.

(m) A violation of section 17015 or 17515.

(n) A violation of section 17016 or 17516.

(o) Failure to comply with section 9206(3).

(p) A violation of section 5654 or 5655.

(q) A violation of section 16274.

(r) A violation of section 17020 or 17520.

333.16226 Sanctions; determination; judicial review; maximum fine for violation of MCL 333.16221(a) or (b); completion of program or examination.

Sec. 16226. (1) After finding the existence of 1 or more of the grounds for disciplinary subcommittee action listed in section 16221, a disciplinary subcommittee shall impose 1 or more of the following sanctions for each violation:

Violations of Section 16221	Sanctions
Subdivision (a), (b)(*ii*), (b)(*iv*), (b)(*vi*), or (b)(*vii*)	Probation, limitation, denial, suspension, revocation, restitution, community service, or fine.
Subdivision (b)(*viii*)	Revocation or denial.
Subdivision (b)(*i*), (b)(*iii*), (b)(*v*), (b)(*ix*), (b)(*x*), (b)(*xi*), or (b)(*xii*)	Limitation, suspension, revocation, denial, probation, restitution, community service, or fine.
Subdivision (c)(*i*)	Denial, revocation, suspension, probation, limitation, community service, or fine.

Subdivision (c)(*ii*)	Denial, suspension, revocation, restitution, community service, or fine.
Subdivision (c)(*iii*)	Probation, denial, suspension, revocation, restitution, community service, or fine.
Subdivision (c)(*iv*) or (d)(*iii*)	Fine, probation, denial, suspension, revocation, community service, or restitution.
Subdivision (d)(*i*) or (d)(*ii*)	Reprimand, fine, probation, community service, denial, or restitution.
Subdivision (e)(*i*)	Reprimand, fine, probation, limitation, suspension, community service, denial, or restitution.
Subdivision (e)(*ii*) or (i)	Reprimand, probation, suspension, restitution, community service, denial, or fine.
Subdivision (e)(*iii*), (e)(*iv*), or (e)(*v*)	Reprimand, fine, probation, suspension, revocation, limitation, community service, denial, or restitution.
Subdivision (g)	Reprimand or fine.
Subdivision (h)	Reprimand, probation, denial, suspension, revocation, limitation, restitution, community service, or fine.
Subdivision (j)	Suspension or fine.
Subdivision (k), (p), or (r)	Reprimand or fine.
Subdivision (*l*)	Reprimand, denial, or limitation.
Subdivision (m) or (o)	Denial, revocation, restitution, probation, suspension, limitation, reprimand, or fine.
Subdivision (n)	Revocation or denial.
Subdivision (q)	Revocation.

(2) Determination of sanctions for violations under this section shall be made by a disciplinary subcommittee. If, during judicial review, the court of appeals determines that a final decision or order of a disciplinary subcommittee prejudices substantial rights of the

petitioner for 1 or more of the grounds listed in section 106 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.306, and holds that the final decision or order is unlawful and is to be set aside, the court shall state on the record the reasons for the holding and may remand the case to the disciplinary subcommittee for further consideration.

(3) A disciplinary subcommittee may impose a fine of up to, but not exceeding, $250,000.00 for a violation of section 16221(a) or (b).

(4) A disciplinary subcommittee may require a licensee or registrant or an applicant for licensure or registration who has violated this article or article 7 or a rule promulgated under this article or article 7 to satisfactorily complete an educational program, a training program, or a treatment program, a mental, physical, or professional competence examination, or a combination of those programs and examinations.

333.20161 Fees and assessments for health facility and agency licenses and certificates of need; surcharge; fee for provisional license or temporary permit; fee to recover cost of proficiency evaluation samples; fee for reissuance of clinical laboratory license; cost of licensure activities; application fee for waiver under MCL 333.21564; travel expenses; fees for licensure or renewal under part 209; deposit of fees; use of quality assurance assessment; earmarking; "medicaid" defined.

Sec. 20161. (1) The department shall assess fees and other assessments for health facility and agency licenses and certificates of need on an annual basis as provided in this article. Except as otherwise provided in this article, fees and assessments shall be paid in accordance with the following schedule:

(a) Freestanding surgical outpatient facilities	$238.00 per facility.
(b) Hospitals	$8.28 per licensed bed.
(c) Nursing homes, county medical care facilities, and hospital long-term care units	$2.20 per licensed bed.
(d) Homes for the aged	$6.27 per licensed bed.
(e) Clinical laboratories	$475.00 per laboratory.
(f) Hospice residences	$200.00 per license survey; and $20.00 per licensed bed.
(g) Subject to subsection (13), quality assurance assessment for nongovernmentally owned nursing homes and hospital long-term care units	an amount resulting in not more than 6% of total industry revenues.
(h) Subject to subsection (14), quality assurance assessment for hospitals	at a fixed or variable rate that generates funds not more than the maximum allowable under the federal matching requirements, after consideration for the amounts in subsection (14)(a) and (k).

(2) If a hospital requests the department to conduct a certification survey for purposes of title XVIII or title XIX of the social security act, the hospital shall pay a license fee surcharge of $23.00 per bed. As used in this subsection, "title XVIII" and "title XIX" mean those terms as defined in section 20155.

(3) The base fee for a certificate of need is $750.00 for each application. For a project requiring a projected capital expenditure of more than $150,000.00 but less than $1,500,000.00, an additional fee of $2,000.00 shall be added to the base fee. For a project requiring a projected capital expenditure of $1,500,000.00 or more, an additional fee of $3,500.00 shall be added to the base fee.

(4) If licensure is for more than 1 year, the fees described in subsection (1) are multiplied by the number of years for which the license is issued, and the total amount of the fees shall be collected in the year in which the license is issued.

(5) Fees described in this section are payable to the department at the time an application for a license, permit, or certificate is submitted. If an application for a license, permit, or certificate is denied or if a license, permit, or certificate is revoked before its expiration date, the department shall not refund fees paid to the department.

(6) The fee for a provisional license or temporary permit is the same as for a license. A license may be issued at the expiration date of a temporary permit without an additional fee for the balance of the period for which the fee was paid if the requirements for licensure are met.

(7) The department may charge a fee to recover the cost of purchase or production and distribution of proficiency evaluation samples that are supplied to clinical laboratories pursuant to section 20521(3).

(8) In addition to the fees imposed under subsection (1), a clinical laboratory shall submit a fee of $25.00 to the department for each reissuance during the licensure period of the clinical laboratory's license.

(9) Except for the licensure of clinical laboratories, not more than half the annual cost of licensure activities as determined by the department shall be provided by license fees.

(10) The application fee for a waiver under section 21564 is $200.00 plus $40.00 per hour for the professional services and travel expenses directly related to processing the application. The travel expenses shall be calculated in accordance with the state standardized travel regulations of the department of management and budget in effect at the time of the travel.

(11) An applicant for licensure or renewal of licensure under part 209 shall pay the applicable fees set forth in part 209.

(12) Except as otherwise provided in this section, the fees and assessments collected under this section shall be deposited in the state treasury, to the credit of the general fund.

(13) The quality assurance assessment collected under subsection (1)(g) and all federal matching funds attributed to that assessment shall be used only for the following purposes and under the following specific circumstances:

(a) The quality assurance assessment and all federal matching funds attributed to that assessment shall be used to finance medicaid nursing home reimbursement payments. Only licensed nursing homes and hospital long-term care units that are assessed the quality assurance assessment and participate in the medicaid program are eligible for increased per diem medicaid reimbursement rates under this subdivision.

(b) The quality assurance assessment shall be implemented on May 10, 2002.

(c) The quality assurance assessment is based on the number of licensed nursing home beds and the number of licensed hospital long-term care unit beds in existence on July 1 of each year, shall be assessed upon implementation pursuant to subdivision (b) and subsequently on October 1 of each following year, and is payable on a quarterly basis, the first payment due 90 days after the date the assessment is assessed.

(d) Beginning October 1, 2007, the department shall no longer assess or collect the quality assurance assessment or apply for federal matching funds.

(e) Upon implementation pursuant to subdivision (b), the department of community health shall increase the per diem nursing home medicaid reimbursement rates for the balance of that year. For each subsequent year in which the quality assurance assessment is assessed and collected, the department of community health shall maintain the medicaid nursing home reimbursement payment increase financed by the quality assurance assessment.

(f) The department of community health shall implement this section in a manner that complies with federal requirements necessary to assure that the quality assurance assessment qualifies for federal matching funds.

(g) If a nursing home or a hospital long-term care unit fails to pay the assessment required by subsection (1)(g), the department of community health may assess the nursing home or hospital long-term care unit a penalty of 5% of the assessment for each month that the assessment and penalty are not paid up to a maximum of 50% of the assessment. The department of community health may also refer for collection to the department of treasury past due amounts consistent with section 13 of 1941 PA 122, MCL 205.13.

(h) The medicaid nursing home quality assurance assessment fund is established in the state treasury. The department of community health shall deposit the revenue raised through the quality assurance assessment with the state treasurer for deposit in the medicaid nursing home quality assurance assessment fund.

(i) The department of community health shall not implement this subsection in a manner that conflicts with 42 USC 1396b(w).

(j) The quality assurance assessment collected under subsection (1)(g) shall be prorated on a quarterly basis for any licensed beds added to or subtracted from a nursing home or hospital long-term care unit since the immediately preceding July 1. Any adjustments in payments are due on the next quarterly installment due date.

(k) In each fiscal year governed by this subsection, medicaid reimbursement rates shall not be reduced below the medicaid reimbursement rates in effect on April 1, 2002 as a direct result of the quality assurance assessment collected under subsection (1)(g).

(*l*) The amounts listed in this subdivision are appropriated for the department of community health, subject to the conditions set forth in this subsection, for the fiscal year ending September 30, 2003:

MEDICAL SERVICES		
Long-term care services	$	1,469,003,900
Gross appropriation	$	1,469,003,900
Appropriated from:		
Federal revenues:		
Total federal revenues		814,122,200
Special revenue funds:		
Medicaid quality assurance assessment		44,829,000
Total local revenues		8,445,100
State general fund/general purpose	$	601,607,600

(m) In fiscal year 2003-2004, $18,900,000.00 of the quality assurance assessment collected pursuant to subsection (1)(g) shall be appropriated to the department of community health to support medicaid expenditures for long-term care services. These funds shall offset an identical amount of general fund/general purpose revenue originally appropriated for that purpose.

(14) The quality assurance dedication is an earmarked assessment collected under subsection (1)(h). That assessment and all federal matching funds attributed to that assessment shall be used only for the following purposes and under the following specific circumstances:

(a) Part of the quality assurance assessment shall be used to maintain the increased medicaid reimbursement rate increases as provided for in subdivision (d). A portion of the funds collected from the quality assurance assessment may be used to offset any reduction to existing intergovernmental transfer programs with public hospitals that may result from implementation of the enhanced medicaid payments financed by the quality assurance assessment. Any portion of the funds collected from the quality assurance assessment reduced because of existing intergovernmental transfer programs shall be used to finance medicaid hospital appropriations.

(b) The quality assurance assessment shall be implemented on October 1, 2002.

(c) The quality assurance assessment shall be assessed on all net patient revenue, before deduction of expenses, less medicare net revenue, as reported in the most recently available medicare cost report and is payable on a quarterly basis, the first payment due 90 days after the date the assessment is assessed. As used in this subdivision, "medicare net revenue" includes medicare payments and amounts collected for coinsurance and deductibles.

(d) Upon implementation pursuant to subdivision (b), the department of community health shall increase the hospital medicaid reimbursement rates for the balance of that year. For each subsequent year in which the quality assurance assessment is assessed and collected, the department of community health shall maintain the hospital medicaid reimbursement rate increase financed by the quality assurance assessments.

(e) The department of community health shall implement this section in a manner that complies with federal requirements necessary to assure that the quality assurance assessment qualifies for federal matching funds.

(f) If a hospital fails to pay the assessment required by subsection (1)(h), the department of community health may assess the hospital a penalty of 5% of the assessment for each month that the assessment and penalty are not paid up to a maximum of 50% of the assessment. The department of community health may also refer for collection to the department of treasury past due amounts consistent with section 13 of 1941 PA 122, MCL 205.13.

(g) The hospital quality assurance assessment fund is established in the state treasury. The department of community health shall deposit the revenue raised through the quality assurance assessment with the state treasurer for deposit in the hospital quality assurance assessment fund.

(h) In each fiscal year governed by this subsection, the quality assurance assessment shall only be collected and expended if medicaid hospital inpatient DRG and outpatient reimbursement rates and disproportionate share hospital and graduate medical education payments are not below the level of rates and payments in effect on April 1, 2002 as a direct result of the quality assurance assessment collected under subsection (1)(h), except as provided in subdivision (j).

(i) The amounts listed in this subdivision are appropriated for the department of community health, subject to the conditions set forth in this subsection, for the fiscal year ending September 30, 2003:

MEDICAL SERVICES		
Hospital services and therapy	$	149,200,000
Gross appropriation	$	149,200,000
Appropriated from:		
Federal revenues:		
Total federal revenues		82,686,800
Special revenue funds:		
Medicaid quality assurance assessment		66,513,500
Total local revenues		0
State general fund/general purpose	$	0

(j) The quality assurance assessment collected under subsection (1)(h) shall no longer be assessed or collected after September 30, 2004, or in the event that the quality assurance assessment is not eligible for federal matching funds. Any portion of the quality assurance assessment collected from a hospital that is not eligible for federal matching funds shall be returned to the hospital.

(k) In fiscal year 2002-2003, $18,900,000.00 of the quality assurance assessment shall be deposited into the general fund.

(*l*) In fiscal year 2003-2004, $18,900,000.00 of the quality assurance assessment collected pursuant to subsection (1)(h) shall be appropriated to the department of community health to support medicaid expenditures for hospital services and therapy. These funds shall offset an identical amount of general fund/general purpose revenue originally appropriated for that purpose.

(15) The quality assurance assessment provided for under this section is a tax that is levied on a health facility or agency.

(16) As used in this section, "medicaid" means that term as defined in section 22207.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless House Bill No. 4656 of the 92nd Legislature is enacted into law.

Section 20161 as curative; legislative intent; section 20161 as retroactive and effective for quality assurance assessments after May 9, 2002.

Enacting section 2. (1) Section 20161 as amended by this amendatory act is curative and intended to express the original intent of the legislature regarding the application of 2002 PA 303 and 2002 PA 562, as amended by 2003 PA 113.

(2) Section 20161 as amended by this amendatory act is retroactive and is effective for all quality assurance assessments made after May 9, 2002.

This act is ordered to take immediate effect.
Approved December 23, 2003.
Filed with Secretary of State December 29, 2003.

Compiler's Note: House Bill No. 4656, referred to in enacting section 1, was filed with the Secretary of State December 29, 2003, and became P.A. 2003, No. 235, Eff. Mar. 30, 2004.

[No. 235]

(HB 4656)

AN ACT to amend 1931 PA 328, entitled "An act to revise, consolidate, codify and add to the statutes relating to crimes; to define crimes and prescribe the penalties therefor; to provide for restitution under certain circumstances; to provide for the competency of evidence at the trial of persons accused of crime; to provide immunity from prosecution for certain witnesses appearing at such trials; and to repeal certain acts and parts of acts inconsistent with or contravening any of the provisions of this act," by amending section 430 (MCL 750.430), as amended by 2002 PA 672.

The People of the State of Michigan enact:

750.430 Prohibited conduct by licensed health care professional; violation as misdemeanor; submission to chemical analysis; admissibility as evidence; conduct of collection and testing; other violations arising out of same transaction; good faith emergency care; order to participate in health professional recovery program; penalties; "licensed health care professional" defined.

Sec. 430. (1) A licensed health care professional who does either of the following is guilty of a misdemeanor:

(a) Engages in the practice of his or her health profession with a bodily alcohol content of .05 or more grams per 100 milliliters of blood, per 210 liters of breath, or per 67 milliliters of urine.

(b) Engages in the practice of his or her health profession while he or she is under the influence of a controlled substance and, due to the illegal or improper use of the controlled substance, his or her ability to safely and skillfully engage in the practice of his or her health profession is visibly impaired.

(2) A peace officer who has reasonable cause to believe an individual violated subsection (1) may require the individual to submit to a chemical analysis of his or her breath, blood, or urine. Before an individual is required to submit to a chemical analysis under this subsection, the peace officer shall inform the individual of all of the following:

(a) The individual may refuse to submit to the chemical analysis, but if he or she refuses, the officer may obtain a court order requiring the individual to submit to a chemical analysis.

(b) If the individual submits to the chemical analysis, he or she may obtain a chemical analysis from a person of his or her own choosing.

(3) The failure of a peace officer to comply with the requirements of subsection (2) renders the results of a chemical analysis inadmissible as evidence in a criminal prosecution for violating this section, in a civil action arising out of a violation of this section, or in any administrative proceeding arising out of a violation of this section.

(4) The collection and testing of breath, blood, or urine specimens under this section shall be conducted in the same manner that breath, blood, or urine specimens are collected and tested for alcohol-related and controlled substance-related driving violations under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923.

(5) This section does not prohibit the individual from being charged with, convicted of, or sentenced for any other violation of law arising out of the same transaction as the violation of this section in lieu of being charged with, convicted of, or sentenced for the violation of this section.

(6) This section does not apply to a licensed health care professional who in good faith renders emergency care without compensation at the scene of an emergency unless the acts or omissions by the licensed health care professional amount to gross negligence or willful and wanton misconduct.

(7) If an individual is convicted under this section, the court shall order that individual to participate in the health professional recovery program established under section 16167 of the public health code, 1978 PA 368, MCL 333.16167.

(8) A violation of this section is punishable as follows:

(a) If the individual's conduct did not result in physical harm or injury to the patient and the individual has not been convicted previously for violating this section, the court, without entering a judgment of guilt and with the consent of the accused and of the prosecuting attorney, may defer further proceedings and place the accused on probation upon terms and conditions that shall include, but are not limited to, participation in the health professional recovery program established under section 16167 of the public health code, 1978 PA 368, MCL 333.16167. Upon violation of a term or condition, the court may enter an adjudication of guilt and proceed as otherwise provided under subdivision (b). Upon fulfillment of the terms and conditions, the court shall discharge the individual and dismiss the proceedings. Discharge and dismissal under this section shall be without adjudication of guilt and are not a conviction for purposes of this section or for purposes of disqualifications or disabilities imposed by law upon conviction of a crime, including additional penalties imposed for second or subsequent convictions under this subsection. There may only be 1 discharge and dismissal under this section as to an individual. The records and identifications division of the department of state police shall retain a nonpublic record of an arrest and discharge or dismissal under this subsection. This record shall only be furnished to a court or police agency upon request for the purpose of showing whether the individual accused of violating this section has already once utilized this subdivision.

(b) For a first offense, by imprisonment for not more than 180 days or a fine of not more than $1,000.00, or both.

(c) For a second or subsequent offense, by imprisonment for not more than 1 year or a fine of not less than $1,000.00, or both.

(9) As used in this section, "licensed health care professional" means an individual licensed or registered under article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless House Bill No. 4655 of the 92nd Legislature is enacted into law.

Approved December 23, 2003.
Filed with Secretary of State December 29, 2003.

Compiler's note: House Bill No. 4655, referred to in enacting section 1, was filed with the Secretary of State December 29, 2003, and became P.A. 2003, No. 234, Imd. Eff. Dec. 29, 2003.

[No. 236]

(SB 556)

AN ACT to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools and the intermediate school districts of the state; to make

appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to supplement the school aid fund by the levy and collection of certain taxes; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 11, 11b, 26a, 68, and 108 (MCL 388.1611, 388.1611b, 388.1626a, 388.1668, and 388.1708), sections 11, 26a, 68, and 108 as amended and section 11b as added by 2003 PA 158.

The People of the State of Michigan enact:

388.1611 Appropriations.

Sec. 11. (1) For the fiscal year ending September 30, 2004, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $10,962,387,100.00 from the state school aid fund established by section 11 of article IX of the state constitution of 1963 and the sum of $327,700,000.00 from the general fund. For the fiscal year ending September 30, 2003, from loan repayments deposited to the general fund pursuant to section 4 of 1961 PA 112, MCL 388.984, on the settlement date, as determined under section 9c of 1961 PA 108, MCL 388.959c, there is appropriated from the general fund to the state school aid fund the amount determined by the state treasurer to equal the difference between the outstanding amount of general obligation debt incurred pursuant to 1961 PA 112, MCL 388.981 to 388.985, and the outstanding amount of loans under 1961 PA 108, MCL 388.951 to 388.963, as reduced in accordance with section 9c(1) of 1961 PA 108, MCL 388.959c. In addition, for the fiscal year ending September 30, 2003, there is appropriated from the general fund to the state school aid fund an amount equal to the amount of all school bond loan fund repayments received by the state treasurer from June 1, 2003 through December 21, 2003, determined by the state treasurer not to have been paid from proceeds of bonds of the school district and representing the difference between the outstanding amount of general obligation debt incurred by this state under 1961 PA 112, MCL 388.981 to 388.985, and the outstanding amount of loans under 1961 PA 108, MCL 388.951 to 388.963, at the time of repayment. Funds appropriated to the state school aid fund from the general fund from loan repayments received as described in this subsection shall be expended within 90 days of deposit within the state school aid fund. In addition, available federal funds are appropriated for each of those fiscal years.

(2) The appropriations under this section shall be allocated as provided in this act. Money appropriated under this section from the general fund shall be expended to fund the purposes of this act before the expenditure of money appropriated under this section from the state school aid fund. If the maximum amount appropriated under this section from the state school aid fund for a fiscal year exceeds the amount necessary to fully fund allocations under this act from the state school aid fund, that excess amount shall not be expended in that state fiscal year and shall not lapse to the general fund, but instead shall be deposited into the school aid stabilization fund created in section 11a.

(3) If the maximum amount appropriated under this section from the state school aid fund and the school aid stabilization fund for a fiscal year exceeds the amount available for expenditure from the state school aid fund for that fiscal year, payments under sections 11f, 11g, 22a, 31d, 51a(2), and 51c shall be made in full. In addition, for districts beginning operations after 1994-95 that qualify for payments under section 22b, payments under section 22b shall be made so that the qualifying districts receive the lesser of an amount equal to the 1994-95 foundation allowance of the district in which the district beginning operations after 1994-95 is located or $5,500.00. The amount of the payment to be made

under section 22b for these qualifying districts shall be as calculated under section 22a, with the balance of the payment under section 22b being subject to the proration otherwise provided under this subsection and subsection (4). For any proration necessary after 2002-2003, state payments under each of the other sections of this act from all state funding sources shall be prorated in the manner prescribed in subsection (4) as necessary to reflect the amount available for expenditure from the state school aid fund for the affected fiscal year. However, if the department of treasury determines that proration will be required under this subsection, the department of treasury shall notify the state budget director, and the state budget director shall notify the legislature at least 30 calendar days or 6 legislative session days, whichever is more, before the department reduces any payments under this act because of the proration. During the 30 calendar day or 6 legislative session day period after that notification by the state budget director, the department shall not reduce any payments under this act because of proration under this subsection. The legislature may prevent proration from occurring by, within the 30 calendar day or 6 legislative session day period after that notification by the state budget director, enacting legislation appropriating additional funds from the general fund, countercyclical budget and economic stabilization fund, state school aid fund balance, or another source to fund the amount of the projected shortfall.

(4) For any proration necessary after 2002-2003, the department shall calculate the proration in district and intermediate district payments that is required under subsection (3) as follows:

(a) The department shall calculate the percentage of total state school aid allocated under this act for the affected fiscal year for each of the following:

(*i*) Districts.

(*ii*) Intermediate districts.

(*iii*) Entities other than districts or intermediate districts.

(b) The department shall recover a percentage of the proration amount required under subsection (3) that is equal to the percentage calculated under subdivision (a)(*i*) for districts by reducing payments to districts. This reduction shall be made by calculating an equal dollar amount per pupil as necessary to recover this percentage of the proration amount and reducing each district's total state school aid from state sources, other than payments under sections 11f, 11g, 22a, 31d, 51a(2), 51a(12), 51c, 53a, and 56, by that amount.

(c) The department shall recover a percentage of the proration amount required under subsection (3) that is equal to the percentage calculated under subdivision (a)(*ii*) for intermediate districts by reducing payments to intermediate districts. This reduction shall be made by reducing the payments to each intermediate district, other than payments under sections 11f, 11g, 22a, 31d, 51a(2), 51a(12), 51c, 53a, and 56, on an equal percentage basis.

(d) The department shall recover a percentage of the proration amount required under subsection (3) that is equal to the percentage calculated under subdivision (a)(*iii*) for entities other than districts and intermediate districts by reducing payments to these entities. This reduction shall be made by reducing the payments to each of these entities on an equal percentage basis.

(5) Except for the allocation under section 26a, any general fund allocations under this act that are not expended by the end of the state fiscal year are transferred to the state school aid fund.

388.1611b School aid stabilization fund; allocation for 2003-2004.

Sec. 11b. From the general fund money appropriated in section 11, there is allocated for 2003-2004 the sum of $67,600,000.00 for deposit into the school aid stabilization fund created in section 11a.

388.1626a Reimbursements to districts, intermediate districts, and school aid fund pursuant to MCL 125.2692; adjustments.

Sec. 26a. From the general fund appropriation in section 11, there is allocated an amount not to exceed $29,960,000.00 for 2003-2004 to reimburse districts, intermediate districts, and the state school aid fund pursuant to section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2003. This reimbursement shall be made by adjusting payments under section 22a to eligible districts, adjusting payments under section 56, 62, or 81 to eligible intermediate districts, and adjusting the state school aid fund. The adjustments shall be made not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

388.1668 Michigan career preparation system; allocations and regional career preparation plan; review by education advisory group; definitions.

Sec. 68. (1) From the general fund appropriation in section 11, there is allocated an amount not to exceed $0.00 for 2003-2004 to be used to implement the Michigan career preparation system as provided under this section. These funds may be used for the purposes of this section and for the purposes of former section 67 as in effect for 2002-2003. In order to receive funds under this section, an eligible education agency shall be part of an approved regional career preparation plan under subsection (2) and shall agree to expend the funds required under this section in accordance with the regional career preparation plan. Funds awarded under this section that are not expended in accordance with this section may be recovered by the department.

(2) In order to receive funding under this section, an eligible education agency shall be a part of an approved 3-year regional career preparation plan that is consistent with the workforce development board's strategic plan and is as described in this subsection. All of the following apply to a regional career preparation plan:

(a) A 3-year regional career preparation plan shall be developed under subdivisions (b), (c), and (d) for all public education agencies participating as part of a regional career preparation system within the geographical boundaries of a workforce development board, and revised annually. If an intermediate district is located within the geographical boundaries of more than 1 workforce development board, the board of the intermediate district shall choose 1 workforce development board with which to align and shall notify the department of this choice not later than October 31, 1997.

(b) The regional career preparation plan shall be developed by representatives of the education advisory group of each workforce development board in accordance with guidelines developed under former section 67(5), and in accordance with subdivisions (d) and (e). All of the following shall be represented on each education advisory group: workforce development board members, other employers, labor, districts, intermediate districts, postsecondary institutions, career/technical educators, parents of public school pupils, and academic educators. The representatives of districts, intermediate districts, and postsecondary institutions appointed to the education advisory group by the workforce development board shall be individuals designated by the board of the district, intermediate district, or postsecondary institution.

(c) By majority vote, the education advisory group may nominate 1 education representative, who may or may not be a member of the education advisory group, for appointment to the workforce development board. This education representative shall be

in addition to existing education representation on the workforce development board. This education representative shall meet all workforce development board membership requirements.

(d) The components of the regional career preparation plan shall include, but are not limited to, all of the following:

(*i*) The roles of districts, intermediate districts, advanced career academies, postsecondary institutions, employers, labor representatives, and others in the career preparation system.

(*ii*) Programs to be offered, including at least career exploration activities, for middle school pupils.

(*iii*) Identification of integrated academic and technical curriculum, including related professional development training for teachers.

(*iv*) Identification of work-based learning opportunities for pupils and for teachers and other school personnel.

(*v*) Identification of testing and assessments that will be used to measure pupil achievement.

(*vi*) Identification of all federal, state, local, and private sources of funding available for career preparation activities in the region.

(e) The education advisory group shall develop a 3-year regional career preparation plan consistent with the workforce development board's strategic plan and submit the plan to the department for final approval. The submission to the department shall also include statements signed by the chair of the education advisory group and the chair of the workforce development board certifying that the plan has been reviewed by each entity. Upon department approval, all eligible education agencies designated in the regional career preparation plan as part of the career preparation delivery system are eligible for funding under this section.

(3) Funding under this section shall be distributed to eligible education agencies for allowable costs defined in this subsection and identified as necessary costs for implementing a regional career preparation plan, as follows:

(a) The department shall rank all career clusters, including career exploration, guidance, and counseling. Rank determination will be based on median salary data in career clusters and employment opportunity data provided by the council for career preparation standards. In addition, rank determination shall be based on placement data available for prior year graduates of the programs in the career clusters either in related careers or postsecondary education. The procedure for ranking of career clusters shall be determined by the department.

(b) Allowable costs to be funded under this section shall be determined by the department. Budgets submitted by eligible education agencies to the department in order to receive funding shall identify funds and in-kind contributions from the regional career education plan, excluding funds or in-kind contributions available as a result of funding received under section 61a, equal to at least 100% of anticipated funding under this section. Eligible categories of allowable costs are the following:

(*i*) Career exploration, guidance, and counseling.

(*ii*) Curriculum development, including integration of academic and technical content, and professional development for teachers directly related to career preparation.

(*iii*) Technology and equipment determined to be necessary.

(*iv*) Supplies and materials directly related to career preparation programs.

(*v*) Work-based learning expenses for pupils, teachers, and counselors.

(*vi*) Evaluation, including career competency testing and peer review.

(*vii*) Career placement services.

(*viii*) Student leadership organizations integral to the career preparation system.

(*ix*) Up to 10% of the allocation to an eligible education agency may be expended for planning, coordination, direct oversight, and accountability for the career preparation system.

(c) The department shall calculate career preparation costs per FTE for each career cluster, including career exploration, guidance, and counseling, by dividing the allowable costs for each career cluster by the prior year FTE enrollment for each career cluster. Distribution to eligible education agencies shall be the product of 50% of career preparation costs per FTE times the current year FTE enrollment of each career cluster. This allocation shall be distributed to eligible education agencies in decreasing order of the career cluster ranking described in subdivision (a) until the money allocated for grant recipients in this section is distributed. Beginning in 2001-2002, funds shall be distributed to eligible education agencies according to workforce development board geographic area consistent with subsection (2)(a) based upon the proportion of each workforce development board area's K-12 public school membership to the total state K-12 public school membership.

(4) The department shall establish a review procedure for assessing the career preparation system in each region.

(5) An education advisory group is responsible for assuring the quality of the career preparation system. An education advisory group shall review the career preparation system in accordance with evaluation criteria established by the department.

(6) An education advisory group shall report its findings and recommendations for changes to the participating eligible education agencies, the workforce development board, and the department.

(7) The next revision of a regional career preparation plan shall take into account the findings of the education advisory group in accordance with evaluation criteria established by the department in order for the affected education agencies to receive continued funding under this section.

(8) As used in this section:

(a) "Advanced career academy" means a career-technical education program operated by a district, by an intermediate district, or by a public school academy, that applies for and receives advanced career academy designation from the department. To receive this designation, a career-technical education program shall meet criteria established by the department, which criteria shall include at least all of the following:

(*i*) Operation of programs for those career clusters identified by the department as being eligible for advanced career academy status.

(*ii*) Involvement of employers in the design and implementation of career-technical education programs.

(*iii*) A fully integrated program of academic and technical education available to pupils.

(*iv*) Demonstration of an established career preparation system resulting in industry-validated career ladders for graduates of the program, including, but not limited to, written articulation agreements with postsecondary institutions to allow pupils to receive advanced college placement and credit or federally registered apprenticeships, as applicable.

(b) "Career cluster" means a grouping of occupations from 1 or more industries that share common skill requirements.

(c) "Career preparation system" is a system of programs and strategies providing pupils with opportunities to prepare for success in careers of their choice.

(d) "Department" means the department of career development.

(e) "Eligible education agency" means a district, intermediate district, or advanced career academy that participates in an approved regional career preparation plan.

(f) "FTE" means full-time equivalent pupil as determined by the department.

(g) "Workforce development board" means a local workforce development board established pursuant to the workforce investment act of 1998, Public Law 105-220, 112 Stat. 936, and the school-to-work opportunities act of 1994, Public Law 103-239, 108 Stat. 568, or the equivalent.

(h) "Strategic plan" means a department-approved comprehensive plan prepared by a workforce development board with input from local representatives, including the education advisory group, that includes career preparation system goals and objectives for the region.

388.1708 Adult learning programs.

Sec. 108. (1) From the general fund appropriation in section 11, there is allocated an amount not to exceed $0.00 for 2003-2004 for partnership for adult learning programs authorized under this section.

(2) To be eligible to be enrolled as a participant in an adult learning program funded under this section, a person shall be at least 16 years of age as of September 1 of the immediately preceding state fiscal year and shall meet the following, as applicable:

(a) If the individual has obtained a high school diploma or a general education development (G.E.D.) certificate, the individual is determined to have English language proficiency, reading, writing, or math skills below workforce readiness standards as determined by tests approved by the department of career development and is not enrolled in a postsecondary institution. An individual who has obtained a high school diploma is not eligible for enrollment in a G.E.D. test preparation program funded under this section.

(b) If the individual has not obtained a high school diploma or a G.E.D. certificate, the individual has not attended a secondary institution for at least 6 months before enrollment in an adult learning program funded under this section and is not enrolled in a postsecondary institution.

(3) From the allocation under subsection (1), an amount not to exceed $0.00 is allocated for 2003-2004 to local workforce development boards for the purpose of providing regional adult learning programs. An application for a grant under this subsection shall be in the form and manner prescribed by the department of career development. Subject to subsections (4), (5), and (6), the amount allocated to each local workforce development board shall be as provided in this subsection, except that an eligible local workforce development board shall not receive an initial allocation under this section that is less than $70,000.00. The maximum amount of a grant awarded to an eligible local workforce development board shall be the sum of the following components:

(a) Thirty-four percent of the allocation under this subsection multiplied by the proportion of the family independence agency caseload in the local workforce development board region to the statewide family independence agency caseload.

(b) Thirty-three percent of the allocation under this subsection multiplied by the proportion of the number of persons in the local workforce development board region over age 17 who have not received a high school diploma compared to the statewide total of persons over age 17 who have not received a high school diploma.

(c) Thirty-three percent of the allocation under this subsection multiplied by the proportion of the number of persons in the local workforce development board region over age 17 for whom English is not a primary language compared to the statewide total of persons over age 17 for whom English is not a primary language.

(4) The amount of a grant to a local workforce development board under subsection (3) shall not exceed the cost for adult learning programs needed in the local workforce development board region, as documented in a manner approved by the department of career development.

(5) Not more than 9% of a grant awarded to a local workforce development board may be used for program administration, including contracting for the provision of career and educational information, counseling services, and assessment services.

(6) In order to receive funds under this section, a local workforce development board shall comply with the following requirements in a manner approved by the department of career development:

(a) The local workforce development board shall document the need for adult learning programs in the local workforce development region.

(b) The local workforce development board shall report participant outcomes and other measurements of program performance.

(c) The local workforce development board shall develop a strategic plan that incorporates adult learning programs in the region. A local workforce development board is not eligible for state funds under this section without a strategic plan approved by the department of career development.

(d) The local workforce development board shall furnish to the department of career development, in a form and manner determined by the department of career development, the information the department of career development determines is necessary to administer this section.

(e) The local workforce development board shall allow access for the department of career development or its designee to audit all records related to adult learning programs for which it receives funds. The local workforce development board shall reimburse this state for all disallowances found in the audit in a manner determined by the department of career development.

(7) Local workforce development boards shall distribute funds to eligible adult learning providers as follows:

(a) Not less than 85% of a grant award shall be used to support programs that improve reading, writing, and math skills to workforce readiness standards; English as a second language programs; G.E.D. preparation programs; high school completion programs; or workforce readiness programs in the local workforce development board region. These programs may include the provision of career and educational information, counseling services, and assessment services.

(b) Up to 15% of a grant award may be used to support workforce readiness programs for employers in the local workforce development board region as approved by the department of career development. Employers or consortia of employers whose employees participate in these programs must provide matching funds in a ratio of at least $1.00 of private funds for each $1.00 of state funds.

(8) Local workforce development boards shall award competitive grants to eligible adult learning providers for the purpose of providing adult learning programs in the local workforce development board region. Applications shall be in a form and manner pre-

scribed by the department of career development. In awarding grants, local workforce development boards shall consider all of the following:

(a) The ability of the provider to assess individuals before enrollment using assessment tools approved by the department of career development and to develop individual adult learner plans from those assessments for each participant.

(b) The ability of the provider to conduct continuing assessments in a manner approved by the department of career development to determine participant progress toward achieving the goals established in individual adult learner plans.

(c) The past effectiveness of an eligible provider in improving adult literacy skills and the success of an eligible provider in meeting or exceeding performance measures approved by the department of career development.

(d) Whether the program is of sufficient intensity and duration for participants to achieve substantial learning gains.

(e) Whether the program uses research-based instructional practices that have proven to be effective in teaching adult learners.

(f) Whether the program uses advances in technology, as appropriate, including computers.

(g) Whether the programs are staffed by well-trained teachers, counselors, and administrators.

(h) Whether the activities coordinate with other available resources in the community, such as schools, postsecondary institutions, job training programs, and social service agencies.

(i) Whether the provider offers flexible schedules and support services, such as child care and transportation, that enable participants, including individuals with disabilities or other special needs, to attend and complete programs.

(j) Whether the provider offers adequate job and postsecondary education counseling services.

(k) Whether the provider can maintain an information management system that has the capacity to report participant outcomes and monitor program performance against performance measures approved by the department of career development.

(*l*) Whether the provider will allow access for the local workforce development board or its designee to audit all records related to adult learning programs for which it receives funds. The adult learning provider shall reimburse the local workforce development board for all disallowances found in the audit.

(m) The cost per participant contact hour or unit of measurable outcome for each type of adult learning program for which the provider is applying.

(9) Contracts awarded by local workforce development boards to adult learning providers shall comply with the priorities established in a strategic plan approved by the department of career development.

(10) Adult learning providers that do not agree with the decisions of the local workforce development board in issuing or administering competitive grants may use the grievance procedure established by the department of career development.

(11) Local workforce development boards shall reimburse eligible adult learning providers under this section as follows:

(a) For a first-time provider, as follows:

(*i*) Fifty percent of the contract amount shall be allocated to eligible adult learning providers based upon enrollment of participants in adult learning programs. "Enrollment"

means a participant enrolled in the program who received a preenrollment assessment using assessment tools approved by the department of career development and for whom an individual adult learner plan has been developed.

(*ii*) Fifty percent of the contract amount shall be allocated to eligible adult learning providers based upon the following performance standards as measured in a manner approved by the department of career development:

(A) The percentage of participants taking both a pretest and a posttest in English language proficiency, reading, writing, and math.

(B) The percentage of participants showing improvement toward goals identified in their individual adult learner plan.

(C) The percentage of participants achieving their terminal goals as identified in their individual adult learner plan.

(b) Eligible providers that have provided adult learning programs previously under this section shall be reimbursed 100% of the contract amount based upon the performance standards in subdivision (a)(*ii*) as measured in a manner determined by the department of career development.

(c) A provider is eligible for reimbursement for a participant in an adult learning program until the participant's reading, writing, or math proficiency, as applicable, is assessed at workforce readiness levels or the participant fails to show progress on 2 successive assessments as determined by the department of career development.

(d) A provider is eligible for reimbursement for a participant in an English as a second language program until the participant is assessed as having attained basic English proficiency or the participant fails to show progress on 2 successive assessments as determined by the department of career development.

(e) A provider is eligible for reimbursement for a participant in a G.E.D. test preparation program until the participant passes the G.E.D. test or the participant fails to show progress on 2 successive assessments as determined by the department of career development.

(f) A provider is eligible for reimbursement for a participant in a high school completion program until the participant earns a high school diploma or the participant fails to show progress as determined by the department of career development.

(12) A person who is not eligible to be a participant funded under this section may receive adult learning services upon the payment of tuition or fees for service. The tuition or fee level shall be determined by the adult learning provider and approved by the local workforce development board.

(13) Adult learning providers may collect refundable deposits from participants for the use of reusable equipment and supplies and may provide incentives for program completion.

(14) A provider shall not be reimbursed under this section for an individual who is an inmate in a state correctional facility.

(15) In order to administer the partnership for adult learning system under this section, the department of career development shall do all of the following:

(a) Develop and provide guidelines to local workforce development boards for the development of strategic plans that incorporate adult learning.

(b) Develop and provide adult learning minimum program performance standards to be implemented by local workforce development boards.

(c) Identify approved assessment tools for assessing a participant's English language proficiency, reading, math, and writing skills.

(d) Approve workforce readiness standards for English language proficiency, reading, math, and writing skills that can be measured by nationally recognized assessment tools approved by the department of career development.

(16) Of the amount allocated in subsection (1), up to $0.00 is allocated to the department of career development for the development and administration of a standardized data collection system. Local workforce development boards and adult learning providers receiving funding under this section shall use the standardized data collection system for enrolling participants in adult learning programs, tracking participant progress, reporting participant outcomes, and reporting other performance measures.

(17) A provider is not required to use certificated teachers or certificated counselors to provide instructional and counseling services in a program funded under this section.

(18) As used in this section:

(a) "Adult education", for the purposes of complying with section 3 of article VIII of the state constitution of 1963, means a high school pupil receiving educational services in a nontraditional setting from a district or intermediate district in order to receive a high school diploma.

(b) "Adult learning program" means a program approved by the department of career development that improves reading, writing, and math skills to workforce readiness standards; an English as a second language program; a G.E.D. preparation program; a high school completion program; or a workforce readiness program that enhances employment opportunities.

(c) "Eligible adult learning provider" means a district, public school academy, intermediate district, community college, university, community-based organization, or other organization approved by the department of career development that provides adult learning programs under a contract with a local workforce development board.

(d) "Participant" means an individual enrolled in an adult learning program and receiving services from an eligible adult learning provider.

(e) "Strategic plan" means a document approved by the department of career development that incorporates adult learning goals and objectives for the local workforce development board region and is developed jointly by the local workforce development board and the education advisory groups.

(f) "Workforce development board" means a local workforce development board established pursuant to the workforce investment act of 1998, Public Law 105-220, 112 Stat. 936, and the school-to-work opportunities act of 1994, Public Law 103-239, 108 Stat. 568, or the equivalent.

(g) "Workforce readiness standard" means a proficiency level approved by the department of career development in English language, reading, writing, or mathematics, or any and all of these, as determined by results from assessments approved for use by the department of career development.

Total state spending; payment to local units of government.

Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2003 PA 158 and 2002 PA 521 from state sources for fiscal year 2003-2004 is estimated at $11,290,087,100.00 and state appropriations to be paid to local units of government for fiscal year 2003-2004 are estimated at $11,274,332,800.00.

This act is ordered to take immediate effect.

Approved December 23, 2003.

Filed with Secretary of State December 29, 2003.